Transfers of Product Rights For No Consideration

Dilaudid (4I)

Transfer of Dilaudid From PPLP to PRA L.P. for No Consideration Valued at $23.2MM

On October 1, 2016, PPLP transferred its rights, title, and interest in Dilaudid to PRA L.P. for no consideration. Subsequently, on May 1, 2017, PRA L.P. contributed these assets to Rhodes Pharma's then parent Coventry.

PPLP, through its subsidiary Purdue Pharmaceutical Products L.P. (3XP), had acquired Dilaudid rights from Abbott, a third-party, in 2007 and 2008 for $99MM, including liabilities. In 2013 and 2014, PPLP took impairment charges because of lower sales projections.

Following the transfer, PPLP remitted $3.6MM in 2016 and $4.5MM in 2017 to PRA L.P. for MS Contin and Dilaudid profits. At the time of the transfer in 2017, Dilaudid rights had a book value of $16.9MM.

The Dilaudid rights transfer value is estimated at $23.2MM. This estimate includes $19.9MM in NPV of the rights and $3.3MM in prorated profit payments made to PRA L.P. in 2016 and 2017 after the rights transfer. This does not represent a loss of value, since the transfer, after the rights were subsequently transferred to Coventry, occurred between two parties within the Debtor group.

Rights Transferred From PPLP Via PRA L.P. to Rhodes Pharma

PPLP acquired U.S. rights to Dilaudid in 2007 and 2008 from Abbott.

On October 1, 2016, PPLP transferred its rights, title, and interest in Dilaudid to PRA L.P., which in turn contributed the assets to Rhodes Pharma's then parent, Coventry, effective May 1, 2017. At the time of the transfer, Dilaudid rights had a book value of $16.9MM.

PPLP remitted $3.6MM in 2016 and $4.5MM in 2017 to PRA LP for MS Contin and Dilaudid profits. Dilaudid's pro-rata share of profit payments for 2016 and 2017 is $3.3MM.

Source: PPLPUCC001908669, 7-8. PPLP's Combined Financial Statements for 2008, 15. PPLP's Combined Financial Statements for 2014, 15. Assignment and Assumption Agreement, October 1, 2016. PPLP's Combined Financial Statements for 2017, 35.

Dilaudid Rights Were Obtained in 2007 and 2008 from Abbott for $99.1MM

10. Product Rights, Trademarks and Other Intangibles

	December 31, 2008		December 31, 2007	
	Historical Cost	Accumulated Amortization	Historical Cost	Accumulated Amortization
	(In thousands)			
Assets subject to amortization:				
Marketing rights - Dilaudid®	$ 99,117	$ 2,225	$ 50,000	$ 40
Non-compete agreements	1,500	1,500	1,500	1,500
	100,617	3,725	51,500	1,540
Assets not subject to amortization:				
Trademarks and product rights	64,917		64,917	
	64,917		64,917	
	$165,534	$ 3,725	$116,417	$ 1,540

In December 2007, 3XP acquired the rights to certain Dilaudid® and Dilaudid® HP pain medications in the United States, its territories and possessions for $50 million. In March 2008, 3XP purchased the United States rights to the remaining Dilaudid® and Dilaudid® HP pain medications not previously acquired and assumed liability for returns of products sold prior to its acquisition of approximately $3.6 million for an additional $45.5 million. The Companies have determined the useful life of the licenses to be forty years and will amortize them accordingly.

Source: PPLP's Combined Financial Statements for 2008, 15.

PPLP Took Impairment Charges for Dilaudid in 2013 and 2014 Due to Lower Sales Projections

In December 2007, 3XP acquired the rights to certain Dilaudid® and Dilaudid® HP pain medications in the United States, its territories and possessions for $50.0 million. In March 2008, 3XP purchased for an additional $45.5 million the United States rights to the remaining Dilaudid and Dilaudid HP pain medications not previously acquired and assumed liability for returns of products sold prior to its acquisition of $3.6 million. Those payments were capitalized and were being amortized over their estimated useful lives. In 2014 and 2013, based on indicators of impairment, specifically a significant decrease in sales from 2013 to 2014 and 2012 to 2013, respectively, as well as lower long term sales projections, the Companies estimated future cash flows to evaluate the fair value of the capitalized rights to Dilaudid and Dilaudid HP pain medications. As a result of these evaluations those assets were written down to their fair value of $24.0 million and $34.0 million as of December 31, 2014 and 2013, respectively, and an impairment charge of $7.2 million and $50.5 million was recognized in Other Operating Income for the years ended December 31, 2014 and 2013, respectively. The remaining capitalized amounts are being amortized over their estimated useful lives of eight years through the end of 2022.

Source: PPLP's Combined Financial Statements for 2014, 15.

Effective May 1, 2017, PPLP Transferred Dilaudid Rights That Had a Net Book Value of $16.9 Million to PRA L.P.

On October 1, 2016 PPLP entered into two separate agreements with an associated company whereby from October 1, 2016 until April 30, 2017, PPLP sold Dilaudid® and MS Contin® for the account of such associated company and remitted to such associated company the profits from any such sales and then on May 1, 2017 most of the rights related to Dilaudid® and MS Contin® were transferred to such associated company. In 2017 and 2016, PPLP remitted an aggregate of $ 4.5 million and $3.6 million, respectively, of profit related to such sales and on May 1, 2017, PPLP transferred most of the rights related to Dilaudid® and MS Contin® to such associated company. The remaining net book value at the time of the transfer was $16.9 million of Dilaudid® marketing rights, which was held as an intangible asset (see Note 7).

PPLP remitted $3.6MM in 2016 and $4.5MM in 2017 to PRA L.P. for MS Contin and Dilaudid profits. Dilaudid's pro-rata share of the profit payments for 2016 and 2017 is $3.3MM.

Source: PPLP's Combined Financial Statements for 2017, 35.

Assignment of Dilaudid Rights to Rhodes Pharma

ASSIGNMENT AND ASSUMPTION AGREEMENT
(Dilaudid®)

This Assignment and Assumption Agreement (the "Agreement") effective October 1, 2016 (the "Effective Date") by and between Purdue Pharma L.P., a Delaware limited partnership ("Assignor"), and Rhodes Pharmaceuticals L.P., a Delaware limited partnership ("Assignee").

WITNESSETH:

WHEREAS, as of the Assignment Date, the Assets (as defined below) will be transferred as follows:

i. Purdue Pharmaceutical Products L.P., a Delaware limited partnership ("PPP") will distribute all of PPP's rights, title and interest in the Assets to Assignor;

ii. Assignor will distribute all of Assignor's rights, title and interest to the Assets to Purdue Holdings L.P., a Delaware limited partnership ("Holdings");

iii. Holdings will distribute all of Holding's rights, title and interest in the Assets to PLP Associates Holdings L.P., a Delaware limited partnership ("PLP Associates Holdings");

iv. PLP Associates Holdings will distribute all of PLP Associates Holdings' rights, title and interest in the Assets to BR Holdings Associates L.P., a Delaware limited partnership ("BR Holdings");

v. BR Holdings will distribute all of BR Holdings' rights, title and interest in the Assets on an undivided basis 50% to Beacon Company, a Delaware general partnership ("Beacon"), and 50% to Rosebay Medical Company L.P., a Delaware limited partnership ("Rosebay");

vi. Each of Beacon and Rosebay will contribute their undivided interest in the Assets to Coventry Technologies L.P., a Delaware limited partnership ("Coventry");

vii. Coventry contributed all Coventry's rights, title and interest in the Assets to Assignee;

Source: Assignment and Assumption Agreement, October 1, 2016.

Methodology to Value the Transfer of Rights

The discounted cash flow (DCF) valuation methodology was used to estimate the value of the transfer of Dilaudid rights.

The present value calculation is as of May 1, 2017 (effective date of transfer) based on pre-tax cash flows, as this was a non-tax transfer. The valuation was based on actual sales and management forecasts.

Assumptions for Valuation of Dilaudid Rights

The DCF valuation was based on the following assumptions:

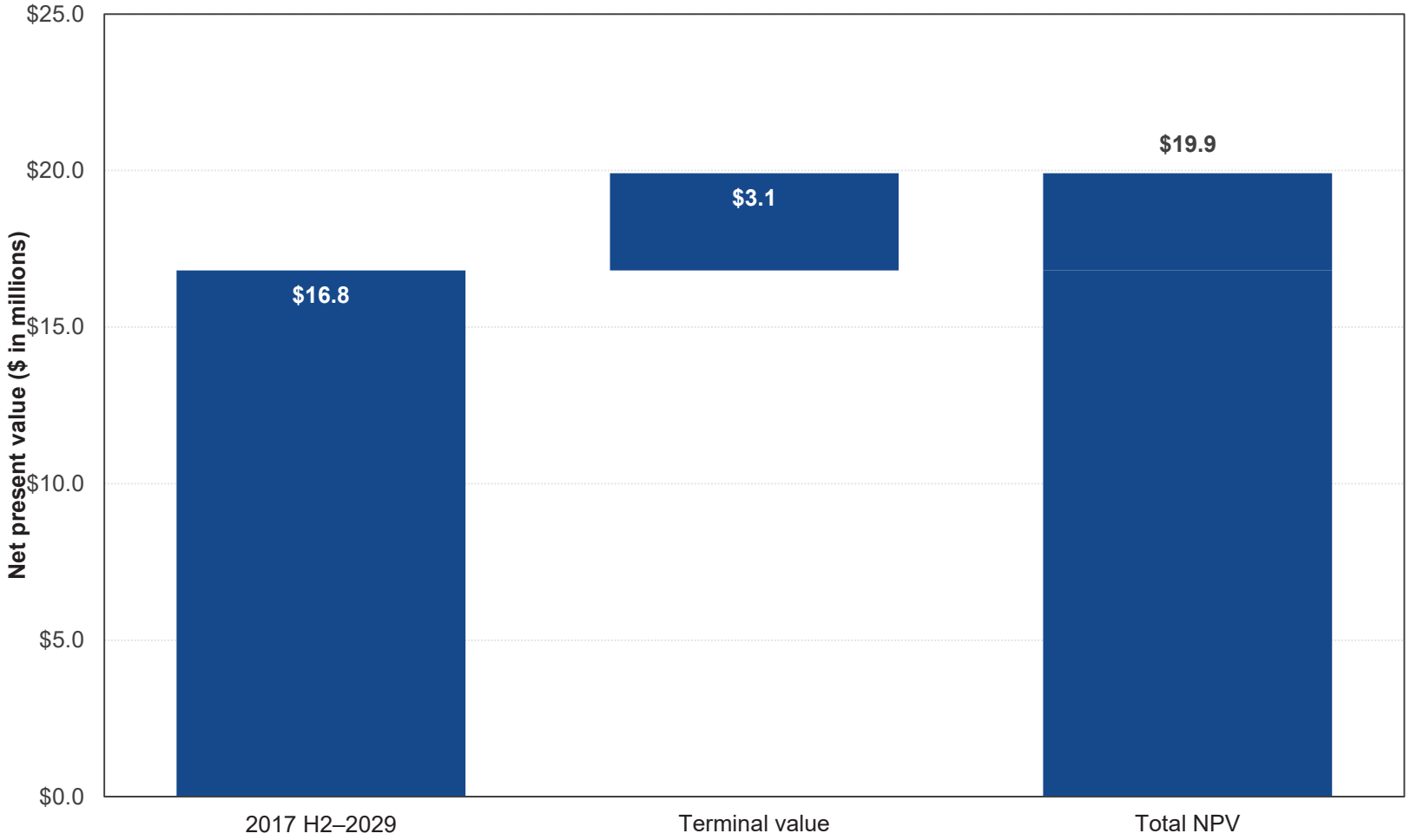
- Cash flow forecasts based on:
  - Sales data for 2017 H2
  - Management forecasts through 2029
- Pre-tax valuation (i.e., tax rate of 0%), as this was a non-tax transfer
- Discount rate of 9% (utilized by PPLP for its internal valuation)
- Terminal value of cash flows
  - Growth rate of -5% (based on long-term forecasts) and 9% discount rate

Present value of the Dilaudid rights as of May 1, 2017 is $19.9MM.

- After-tax value using a 35% tax rate would be $12.9MM.

Source: Consolidated Long-Term Plan Model 2019-2027 (June 2019 LE).

Estimated Value of Transferred Dilaudid Rights: $19.9MM



Source: Consolidated Long-Term Plan Model 2019-2027 (June 2019 LE).

Sensitivity of Valuation to Terminal Value Growth Rates

$ in millions		Valuation
Terminal Value Growth Rate (%)	-5%	$19.9
	-4%	$20.2
	-3%	$20.5
	-2%	$20.9
	-1%	$21.3
	0%	$21.9
	1%	$22.6
	2%	$23.5

Source: Consolidated Long-Term Plan Model 2019-2027 (June 2019 LE).

Current Status: Dilaudid is Currently Registered With the FDA by Rhodes Pharma

New Drug Application (NDA): 019892
Company: RHODES PHARMS

- Medication Guide

Products on NDA 019892

CSV | Excel | Print

Drug Name	Active Ingredients	Strength	Dosage Form/Route	Marketing Status
DILAUDID	HYDROMORPHONE HYDROCHLORIDE	8MG	TABLET;ORAL	Prescription
DILAUDID	HYDROMORPHONE HYDROCHLORIDE	4MG	TABLET;ORAL	Prescription
DILAUDID	HYDROMORPHONE HYDROCHLORIDE	2MG	TABLET;ORAL	Prescription

Source: U.S. Food and Drug Administration, "New Drug Application (NDA):019892," *available at* https://www.accessdata.fda.gov/scripts/cder/daf/index.cfm?event=overview.process&ApplNo=019892

Transfers of Product Rights For No Consideration

MS Contin (4J)

Transfer of MS Contin From PPLP to PRA L.P. for No Consideration

On October 1, 2016, PPLP transferred its rights, title, and interest in MS Contin to PRA L.P., which contributed the assets to Rhodes Pharma's then parent Coventry, effective May 1, 2017, for no consideration. On the effective date, May 1, 2017, MS Contin rights had a book value of $0.

The estimate of the value of the MS Contin rights transfer to PPLP is $21.7MM, which includes $16.9MM in NPV for the rights and $4.8MM in prorated profit payments made to PRA L.P. in 2016 and 2017 after the rights transfer. However, this does not represent a loss of value to the Debtor, since the transfer, after the rights were subsequently transferred to Coventry, occurred between two parties within the Debtor group.

Rhodes Pharma has been paying royalties for MS Contin to Mundipharma subsequent to the transfer of rights.

Rights Transferred From PPLP via PRA L.P. to Rhodes Pharma

PPLP obtained U.S. rights to sell MS Contin via licenses from Mundipharma in 1997, 2002, 1998, and 2008.

On October 1, 2016, PPLP transferred its rights, title, and interest in MS Contin to PRA L.P., which contributed the assets to Rhodes Pharma's then parent Coventry, effective May 1, 2017.

PPLP remitted $3.6MM in 2016 and $4.5MM in 2017 to PRA L.P. for profits associated with MS Contin and Dilaudid (assumed to be included in the cash transfers to PRA L.P.). MS Contin's pro-rata share of payments for 2016 and 2017 is $4.8MM.

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020) 58, 380. MS Contin License Agreement, 1. PPLP's Combined Financial Statements for 2017, 35.

MS Contin Background

MS (morphine sulfate) Contin was introduced in the U.S. in 1984 by Purdue Frederick. The FDA required an Investigational New Drug for MS Contin in 1985 and approved it in 1987.

MS Contin's extended release technology was in-licensed by PPLP from Napp Pharmaceuticals, a foreign IAC.

PPLP obtained MS Contin rights from Mundipharma through various license agreements in 1992, 1997, 1998, and 2008. These agreements also involve parent companies of PPLP.

PPLP transferred its rights to sell MS Contin to Rhodes Pharma effective May 1, 2017 (agreement dated Oct. 1, 2016). This transfer was completed through the parent of PPLP to Rhodes Pharma.

Source: The Pink Sheet, "Purdue Frederick will submit NDA for MS Contin," *The Pink Sheet*, Jul. 8, 1985. U.S. Food and Drug Administration, Orange Book Approved Drug Products with Therapeutic Equivalence Evaluations; U.S. Food and Drug Administration, Drugs@FDA: FDA-Approved Drugs. David Crow, "What next for the Sacklers? A pharma dynasty under siege," *Financial Times*, Sep. 7, 2018, https://www.ft.com/content/46ff5632-b1bd-11e8-99ca-68cf89602132 Daniel J. Frisch and Lesley Cameron, "Economic Analysis of the MS Contin Royalty Rate Paid By Purdue Pharma L.P.," Horst Frisch Incorporated, Aug. 25, 2017. Manufacturer's License Agreement between Mundipharma A.G., Purdue Pharma L.P., and PLP Associates Holdings L.P., Jan. 1, 2008. Intercompany and Non-Cash Transfers Analysis (Alix Partners, May 28, 2020), 164. Assignment and Assumption Agreement for MS Contin between Purdue Pharma L.P. and Rhodes Pharma L.P., Oct. 1, 2016.

Assignment and Assumption Agreement for MS Contin to Rhodes Pharma

ASSIGNMENT AND ASSUMPTION AGREEMENT
(MS Contin®)

This Assignment and Assumption Agreement (the "Agreement") effective October 1, 2016 (the "Effective Date") by and between Purdue Pharma L.P., a Delaware limited partnership ("Assignor"), and Rhodes Pharmaceuticals L.P., a Delaware limited partnership ("Assignee").

W I T N E S S E T H :

WHEREAS, as of the Assignment Date, the Assets (as defined below) will be transferred as follows:

i. Assignor will distribute all of Assignor's rights, title and interest to the Assets to Purdue Holdings L.P., a Delaware limited partnership ("Holdings");

ii. Holdings will distribute all of Holding's rights, title and interest in the Assets to PLP Associates Holdings L.P., a Delaware limited partnership ("PLP Associates Holdings");

iii. PLP Associates Holdings will distribute all of PLP Associates Holdings' rights, title and interest in the Assets to BR Holdings Associates L.P., a Delaware limited partnership ("BR Holdings");

iv. BR Holdings will distribute all of BR Holdings' rights, title and interest in the Assets on an undivided basis 50% to Beacon Company, a Delaware general partnership ("Beacon"), and 50% to Rosebay Medical Company L.P., a Delaware limited partnership ("Rosebay");

v. Each of Beacon and Rosebay will contribute their undivided interest in the Assets to Coventry Technologies L.P., a Delaware limited partnership ("Coventry");

vi. Coventry will contribute all Coventry's rights, title and interest in the Assets to Assignee;

Source: Assignment and Assumption Agreement, October 1, 2016. Purdue Holdings L.P. name changed to PRA L.P. in 2018.

Methodology to Value the Transfer of Rights

The discounted cash flow valuation methodology was used to estimate the value of the transfer of MS Contin rights.

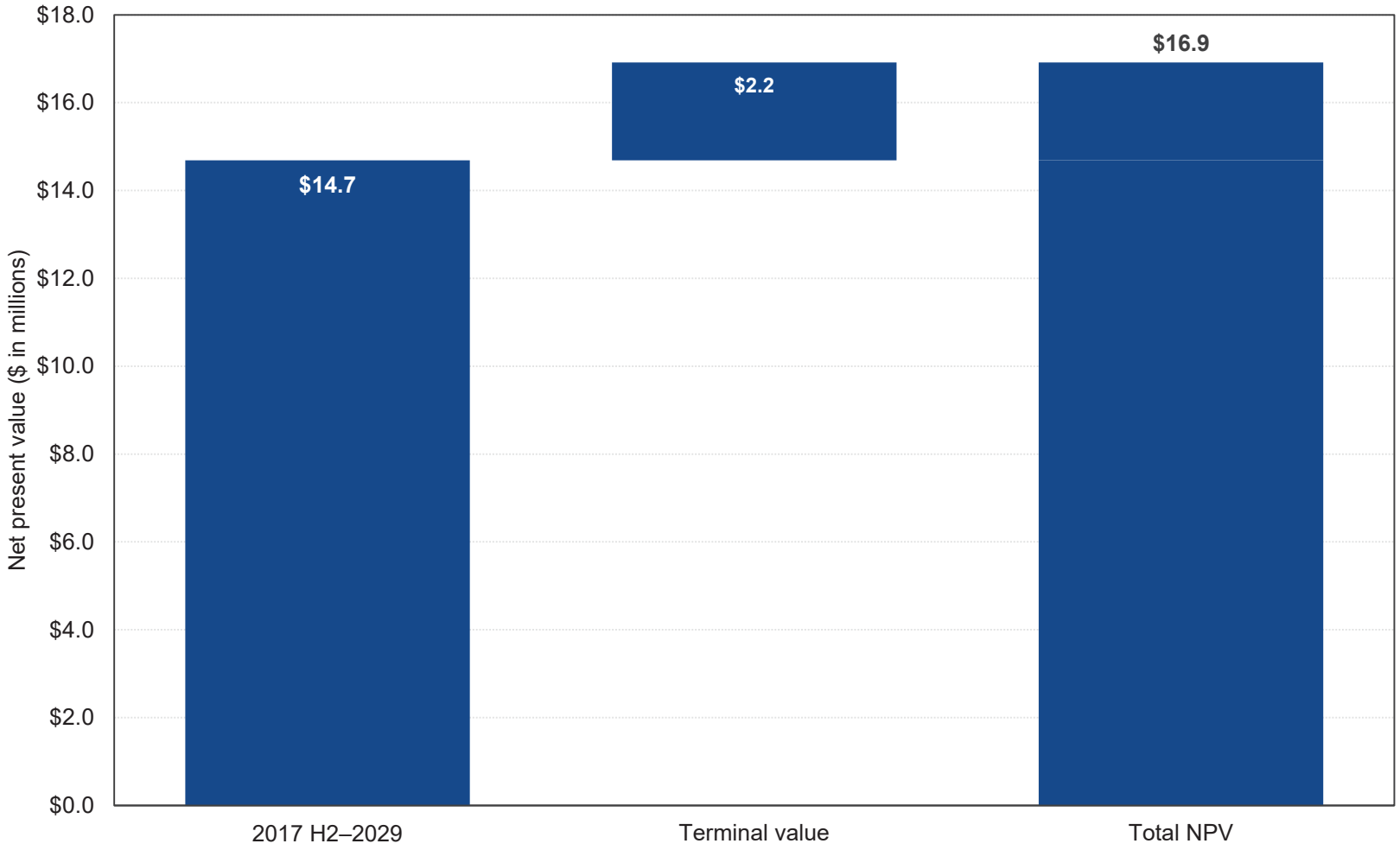
The present value calculation is as of May 1, 2017 (effective date of transfer) based on pre-tax cash flows, as this was a non-tax transfer. The valuation was based on actual sales and management forecasts.

Assumptions for the Valuation of MS Contin Rights

The DCF valuation was based on the following assumptions:

- Cash flow forecasts based on:
  - Sales data for 2017 H2
  - Management forecasts through 2029
- Pre-tax valuation, as this was a non-tax transfer
- Discount rate of 9% (utilized by PPLP for its internal valuation)
- Terminal value of cash flows
  - Growth rate of -5% (based on long-term forecasts), 9% discount rate
- Present value of MS Contin rights as of May 1, 2017 is $16.9MM
  - After-tax value using a 35% tax rate would be $11.1MM

Estimated Value of Transferred MS Contin Rights: $16.9MM



Source: Consolidated Long-Term Plan Model 2019-2027 (June 2019 LE).

Sensitivity Analysis: Impact on Valuation of Alternative Terminal Value Growth Rates

$ in millions		Valuation
Terminal Value Growth Rate (%)	-5%	$16.9
	-4%	$17.1
	-3%	$17.3
	-2%	$17.6
	-1%	$17.9
	0%	$18.3
	1%	$18.8
	2%	$19.5

Current Status: MS Contin Currently Registered With the FDA by PPLP and Marketed by Rhodes Pharma

Manufactured by:
Purdue Pharma L.P.
Stamford, CT 06901

Marketed by:
Rhodes Pharmaceuticals L.P.
Coventry, RI 02816

Component # 304356-0A

Revised 09/2018

Source: U.S. Food and Drug Administration, "MS Contin Label," available at https://www.accessdata.fda.gov/drugsatfda_docs/label/2018/019516s053s054lbl.pdf at 27.

Asset Purchase

Adhansia (1N)

PPLP Purchased U.S. Rights to Adhansia From Purdue Pharma Canada

On October 11, 2018, PPLP entered into an asset purchase agreement with Purdue Pharma Canada for the Adhansia assets. As of September 15, 2019, Purdue Pharma Canada had received a total of $20.2MM pursuant to the asset purchase and related payments. These payments include upfront and milestone payments, as well as reimbursements to Purdue Pharma Canada for expenses incurred in getting FDA approval for Adhansia. PPLP also has an on-going obligation to pay a royalty rate of 8% on Adhansia sales in the U.S.

Of the total $20.2MM payment, PPLP paid $4.9MM, and Adlon Therapeutics L.P., which is part of the Debtor Group, paid $15.3MM.

Our analysis shows that PPLP was not disadvantaged by this transaction. The majority of payments relate to third-party cost reimbursements; and based on a profit share analysis, it is estimated that PPLP will retain 70% of the profits from its U.S. sales of Adhansia.

Adhansia Overview

Adhansia was first developed under the name Triphentin by Purdue Pharma Canada. The drug, with a fast onset of action, is a long-acting methylphenidate (a stimulant) treatment for attention deficit hyperactivity disorder (ADHD) in adults. Board approval for development was given in 2010.

Health Canada approved the product for marketing on December 6, 2017. It has been marketed under the name Foquest in Canada, where it was launched on February 1, 2018. The drug received extended indication for children and adolescents with ADHD on March 12, 2019 in Canada.

Source: Triphentin Development Program and Data Package, Science and Technology Committee, July 15, 2015; Triphentin: Progress and Plans, Science and Technology Committee, October 26, 2016; Purdue Pharma Canada press release February 1, 2018; Purdue Pharma Canada press release March 12, 2019

Adhansia Acquisition by PPLP

PPLP first started discussing acquiring Foquest (eventually renamed Adhansia) assets in January 2018. It is the only U.S. product using methylphenidates, with a short onset, and a duration exceeding 12 hours.

PPLP signed the asset purchase agreement on October 11, 2018. PPLP expects to keep 78% of the profits, with an expected NPV of $96MM. The upfront payment of $4.9MM includes the closing amount, as well as reimbursement to Purdue Pharma Canada for FDA filing fees and costs of adult workplace environment (AWE) clinical trials. The additional payments to Purdue Pharma Canada are based on FDA approval, first sale, reimbursement of FDA expenses, and reimbursement of AWE clinical trials. The agreement also includes going-forward royalty payments to Purdue Pharma Canada of 8% of net sales.

There is a separate supply agreement between PPLP and Purdue Pharma Canada. While we have not reviewed this arrangement, due to a lack of sufficient information, it is unlikely to affect our conclusions regarding this transfer, given the share of profits that PPLP is expected to retain from the sale of Adhansia.

Source: Boards of Directors Meetings US Companies, January 30 to February 1, 2018 (PPLP004414567), pdf pp. 20, 43-44; Asset purchase agreement between Purdue Pharma Canada and PPLP dated October 11, 2018, sections 2.6(a)(i) to 2.6(a)(v), pages 16 and 17, and section 2.10(a), page 18; FINAL DRAFT Adhansia BoD presentation, page 5. eNPV or expected net present value represents probability adjusted NPV.

Adhansia Approval and Adlon Therapeutics L.P. ("Adlon")

The FDA approved Adhansia, indicated for the treatment of ADHD, on February 27, 2019. Adlon (a subsidiary of PPLP) issued a corresponding press release and lists Adhansia as its only product. The total payments to Purdue Pharma Canada from PPLP for Adhansia Assets are $20.2MM. In addition to the upfront payment of $4.9MM made by PPLP, Adlon made payments of $9.0MM to Purdue Pharma Canada for FDA approval and reimbursement of FDA approval expenses on March 20, 2019.The additional payments included:

- Payment of $2.4MM on April 5, 2019 to reimburse clinical trials
- Payment of $4MM on August 5, 2019 for first sale

Source: FDA approval letter for Adhansia, 27 February 2019; Adlon Therapeutics press release for approval of Adhansia, 1 March 2019; Source: Adlon Therapeutics, "Products," *available at* https://adlontherapeutics.com/adhansia-xr/; Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 189; PPLP & Subsidiaries_August 5, 2019.

Payments to Purdue Pharma Canada From PPLP for Adhansia Assets: $20.2MM

Payment Description	Paying Entity	Payment Date	Payment Amount (USD)
1. Purchase price paid at closing	PPLP	12 December 2018	$4,909,566
2. FDA expense reimbursement and FDA approval	Adlon Therapeutics L.P.	20 March 2019	$8,951,941
3. Costs in respect of the AWE clinical trials	Adlon Therapeutics L.P.	5 April 2019	$2,386,059
4. First commercial sale	Adlon Therapeutics L.P.	5 August 2019	$4,000,000
Total			**$20,247,566**

1. Purchase Price Paid at Closing	
Amount at closing	$1,000,000
FDA filing fee	$2,421,495
Reimbursement of AWE clinical trials costs as of August 31, 2018	$1,488,071
Sub-total	**$4,909,566**

2. FDA Expense Reimbursement and FDA Approval	
FDA expense reimbursement amount	$3,951,941
FDA approval payment	$5,000,000
Sub-total	**$8,951,941**

Source: Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 189; Asset purchase agreement between Purdue Pharma Canada and PPLP dated October 11, 2018, sections 2.6(a)(i) to 2.6(a)(v), pages 16 and 17, see section 2.10(a) on page 18 for royalty payments at a rate of 8% on net sales

Adhansia Profit Share Analysis Shows That PPLP Was Not Disadvantaged

The royalty rate of 8% of net sales leaves most of the profit with PPLP. The estimated PPLP profit share is 70% and Purdue Pharma Canada share is 30%. This analysis is based on PPLP's forecasted Adhansia P&L for 2019–2035, and it takes into account U.S. launch in 2019.

Present Value ($ in millions of USD)	2019-2035
PPLP net sales	$697.9
PPLP net income	$107.5
Profit to PPLP (after-tax cash flows)	$104.3
Share of profits to Purdue Pharma Canada (after-tax upfront, milestones, and royalties)	$44.1
Effective share of profit to Purdue Pharma Canada	30%
Profit share to PPLP	**70%**

In comparison, at time of acquisition with the U.S. launch expected for 2021, PPLP estimated a 78% profit share, mainly attributed to higher sales forecasts.

Source: 1.2.47.1 Brand PL discussion on 11202019 follow up, page 7; FINAL DRAFT Adhansia BoD presentation, page 5; see also Project Pearl v23 - 2019 Launch Updated for Adhansia asset valuation shortly after launch in 2019. The upfront and regulatory milestones are $10MM.

Transfers of Product Rights For No Consideration

Morphine Sulfate Extended Release (3D)

Transfer of MSER Rights From PPLP to Rhodes Pharma for No Consideration

In 2011, PPLP transferred all rights to sell Morphine Sulfate Extended Release ("MSER") Generic to Rhodes Pharma (in Debtor Group) for no consideration. No written agreements were prepared or signed for this transfer but PPLP received $1.2MM in 2011 as a 50% share of profits.

The estimate of the net MSER rights transfer value is $223.5MM. This reflects the NPV transfer value of $224.7MM less the $1.2MM in profit share payments received from Rhodes Pharma. However, this does not represent a loss of value to the Debtor, since the transfer occurred between two parties within the Debtor group.

Transfer of MSER Rights From PPLP to Rhodes Pharma

In 2011, PPLP transferred all rights to sell MSER Generic to Rhodes Pharma. No written agreements were prepared or signed for this transfer.

In 2011, PPLP received $1.2MM as 50% share of MSER profits.

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 46, 275–278.

Generic MSER Tablet Market at Time of Transfer (2011)

- Therapeutic equivalents were available in all strengths:
  - 5 therapeutic equivalents for 30mg, 60mg, 200mg strength
  - 6 therapeutic equivalents for 15mg, 100mg strength
- MSER tablets were produced by several manufacturers:
  - Dava, Mylan, Nesher, Specgx, Vintage, Watson
- MSER tablets were in a growing market
  - Mylan ANDA 200824 for MSER 15mg, 30mg, 60mg, 100mg, and 200mg was approved in October 2011

Source: U.S. Food and Drug Administration, Orange Book Approved Drug Products with Therapeutic Equivalence Evaluations; U.S. Food and Drug Administration, Drugs@FDA: FDA-Approved Drugs.

Methodology to Value the Transfer of Rights

The DCF valuation methodology was used to estimate the value of the transfer of MSER rights.

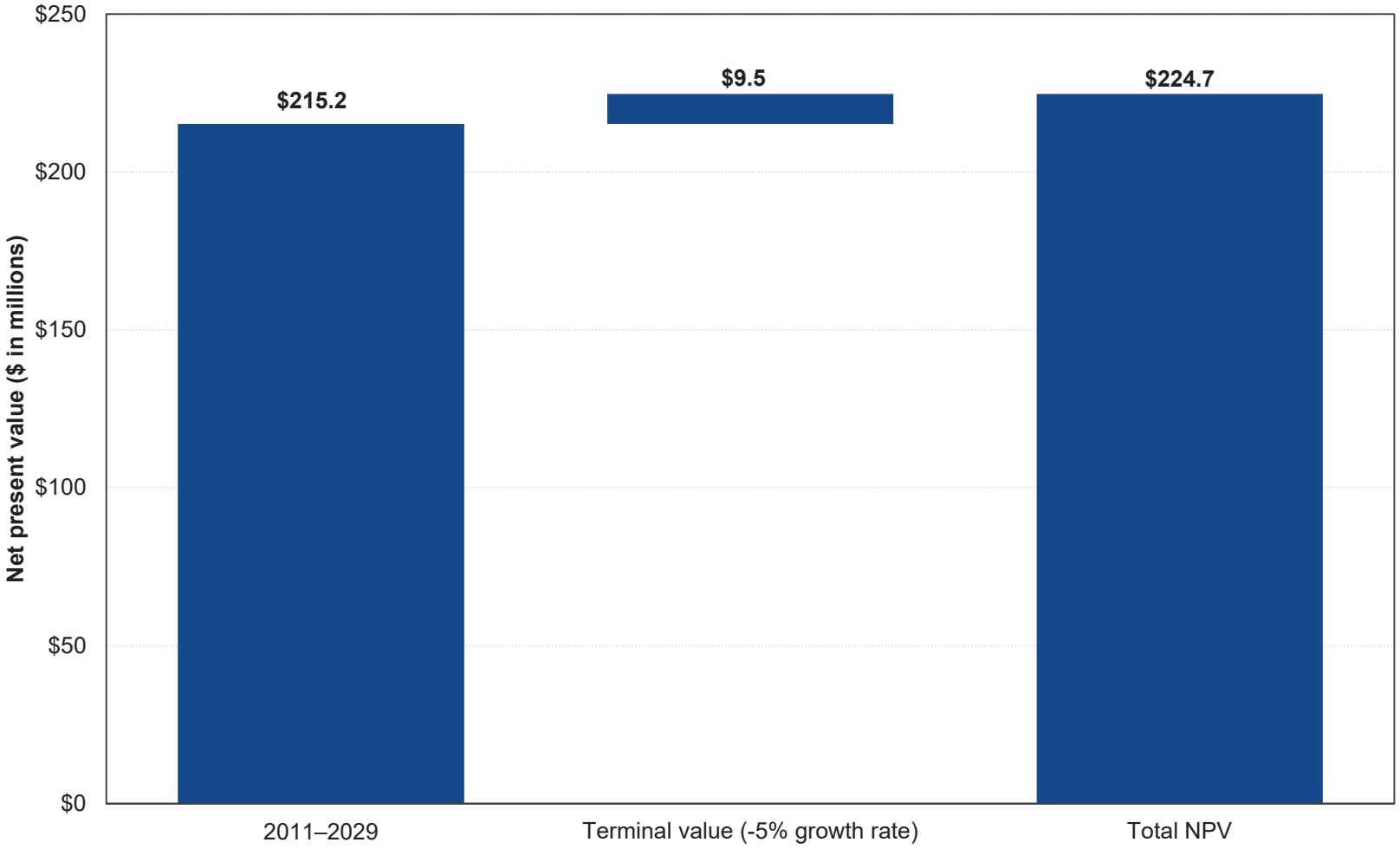
The present value calculation is as of January 1, 2011 (transfer date) based on pre-tax cash flows, as this was a non-tax transfer. The valuation was based on actual sales and management forecasts.

Assumption for the Valuation of the MSER Rights

The DCF valuation is based on the following assumptions:

- Cash flow forecasts based on:
  - Sales data from 2011–2017
  - Management forecasts through 2029
- Non-tax transfer valuation
- Discount rate of 9% utilized by PPLP for its internal valuation
- Terminal value of cash flows
  - Growth rate of -5% (based on long-term forecasts), 9% discount rate
- Present value of the MSER rights as of July 1, 2011 is $225MM
  - After-tax value at a 35% tax rate would be $146MM

Estimated Value of Transferred MSER Rights in 2011: $225MM



Source: Consolidated Long-Term Plan Model 2019-2027 (June 2019 LE).

Sensitivity Analysis: Impact on Valuation of Alternative Terminal Value Growth Rates

$ in millions		Valuation
Terminal Value Growth Rate (%)	-5%	$224.7
	-4%	$225.6
	-3%	$226.5
	-2%	$227.7
	-1%	$229.1
	0%	$230.8
	1%	$232.9
	2%	$235.6

Current Status: MSER ANDA is Registered to Rhodes Pharma

Abbreviated New Drug Application (ANDA): 074769
Company: RHODES PHARMS

- REMS

Products on ANDA 074769

CSV | Excel | Print

Drug Name	Active Ingredients	Strength	Dosage Form/Route
MORPHINE SULFATE	MORPHINE SULFATE	100MG	TABLET, EXTENDED RELEASE;ORAL
MORPHINE SULFATE	MORPHINE SULFATE	200MG	TABLET, EXTENDED RELEASE;ORAL

Source: U.S. Food and Drug Administration, "Abbreviated New Drug Administration (ANDA): 074769," available at https://www.accessdata.fda.gov/scripts/cder/daf/index.cfm?event=overview.process&ApplNo=074769

Transfers of Equity For No Consideration

Third Parties: Infinity (4B)

Estimated Value of PPLP's Equity in Infinity Transferred to PRA L.P. is $305MM

PPLP transferred its stock in Infinity, a public cancer drug discovery and development company, to PRA L.P. for no consideration in 2008, 2009, and 2013.

The estimate of Infinity's equity value transferred from PPLP to PRA L.P. is $305MM based on the fair market value at the time of the transfer. This estimate is based on the investments (i.e., purchase price) made by PPLP in 2008 ($45MM), in 2009 ($30MM), and the 2013 transfer value of $230MM based on the market price at the time of the transfer. In comparison, the book value of the equity at the time of the transfers was $263MM.

PPLP also provided a line of credit in 2008 that was converted to equity in 2012 and transferred in 2013 to PRA L.P. In 2008, the companies, including Mundipharma, also entered into a collaboration agreement that included early stage solid tumor drugs and discovery stage drugs for neuropathic pain. In 2012, the collaboration agreement was terminated, after which Infinity was under future R&D repayment obligations via royalties (depending on the performance of Infinity's pipeline). Mundipharma appears to have sold its future royalty rights, and they are not included in the transfer estimate above.

On April 16, 2013, through its parent companies Beacon Company and Rosebay Medical Company L.P., PRA L.P. subsequently sold its stake in Infinity for $438MM.

Source: Infinity Pharmaceuticals, Form 8-K, 2008, page 2; Infinity Pharmaceuticals, Form 8-K, 2012, page 2.

PPLP's Investment in Infinity

PPLP made equity investments in 2008, 2009, and 2012 in Infinity. This equity investment was part of a broader agreement which included:

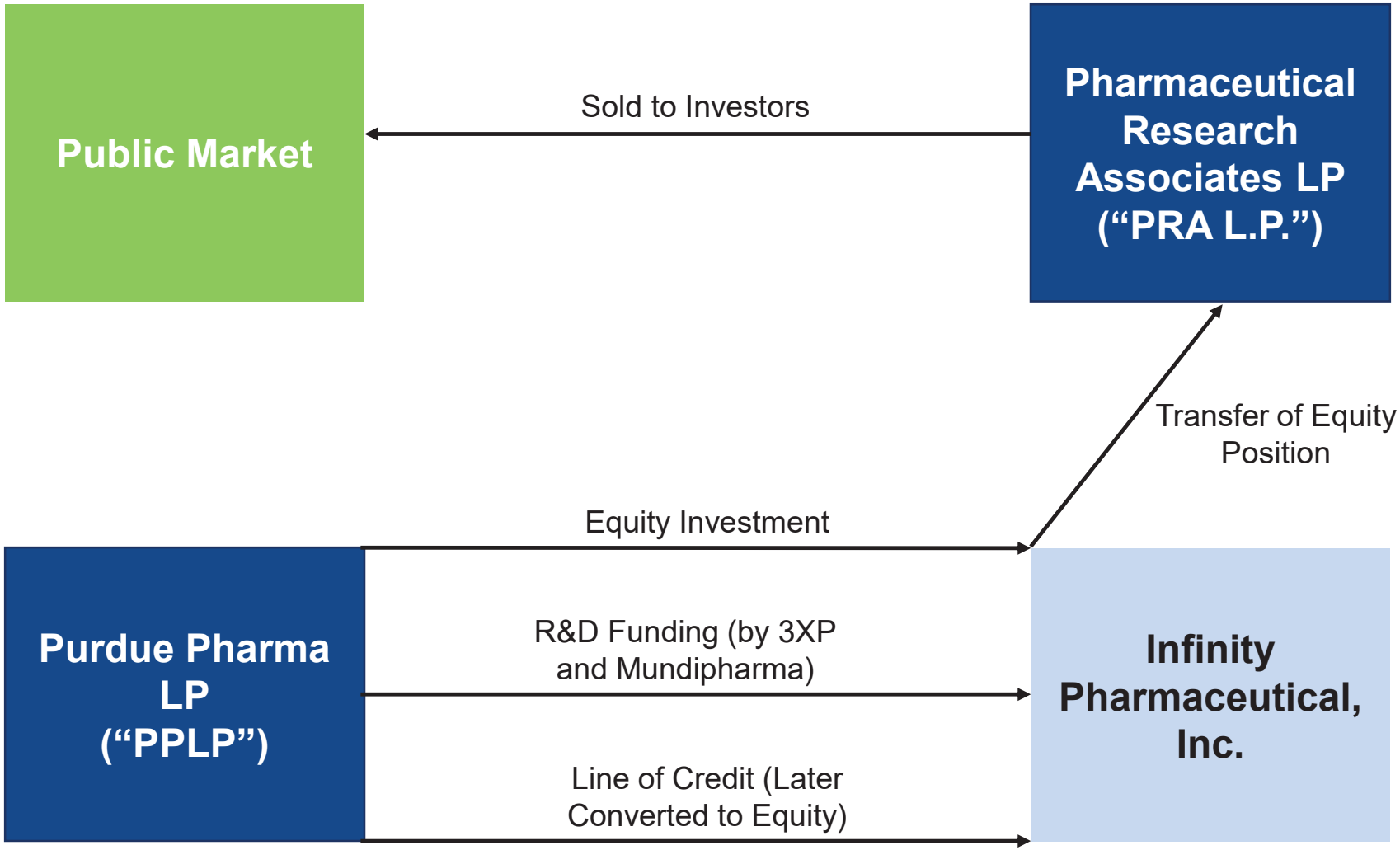
- PPLP providing debt financing via a line of credit in 2008 that was converted to equity in 2012
- Purdue Pharmaceutical Products L.P. (3XP*)* and Mundipharma International Corporation Limited providing R&D funding

The 2008 collaboration agreement between PPLP and Infinity included early stage solid tumor drugs and discovery stage neuropathic pain drugs.

In 2012, the collaboration agreement was terminated, and Infinity had future R&D repayment obligations via royalties.

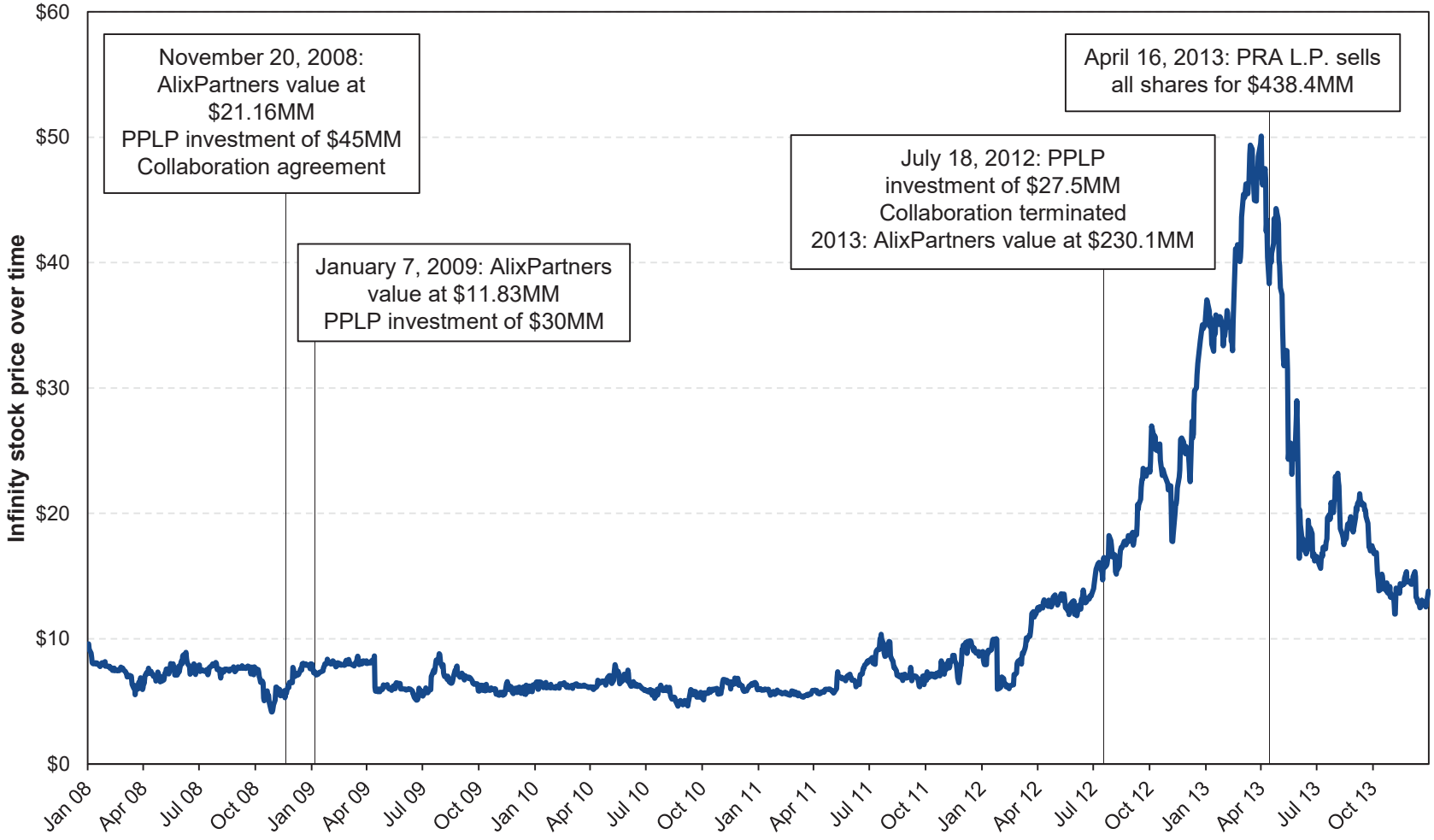
Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 50, 309–330.

Illustration of Transfer of Infinity Pharmaceuticals, Inc. Shares From PPLP to PRA L.P.



Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 50, 309–330.

Infinity Stock Price Over Time



Source: Bloomberg (for Infinity Pharmaceuticals US Equity [FIGI: BBG000CN3TG1]; accessed November 27, 2019). AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 50, 309–330.
Note: The book value of the transfer in 2008 and 2009 does not include the excess over the fair market value paid by PPLP and 3XP that was recognized as in-process R&D expense.

Investments in Infinity

$ in millions	2008	2009	2010	2011	2012	Total
First Closing (4MM shares at $11.25 per share)	$45.0					**$45.0**
Second Closing (2MM shares and 6 million warrants)		$30.0				**$30.0**
Third Closing (1,896,552 shares at $14.5 per share)					$27.5	**$27.5**
Repayment of Line of Credit via Share Issuance (3,520,013 Shares at $14.5 per Share)					$51.0	**$51.0**
R&D Funding by Purdue Entities (PPLP Subsidiary and Mundipharma)	$3.0	$50.8	$71.3	$92.8	$47.1	**$265.0**
Total Investment	**$48.0**	**$80.8**	**$71.3**	**$92.8**	**$125.7**	**$418.6**

PPLP and Mundipharma funded $265MM in R&D investment in Infinity. Of this, 3XP funded $15.1MM during 2009–2011 ($4.5MM, $9.2MM, and $1.4MM in 2009, 2010, and 2011, respectively). Mundipharma funded the majority of the R&D, $250MM (i.e., $265MM less $15.1MM).

Under the 2008 arrangement, Infinity was to pay Mundipharma royalties on U.S. sales of the drugs developed under the collaboration agreement. Mundipharma had commercialization rights outside of the U.S. and owed royalties to Infinity on those. This arrangement was terminated in 2012. Infinity retained the worldwide rights but had obligations to repay R&D funding it had received in the form of royalties on future sales of the products.

Source: Infinity Pharmaceuticals, Form 8-K, November 19, 2008, page 4; Infinity Pharmaceuticals, Form 8-K, January 7, 2009, page 2; Infinity Pharmaceuticals, Form 8-K, July 17, 2012, page 2; Infinity Pharmaceuticals, Form 10-K, 2012, page 42.

Example of Mundipharma Document Discussing R&D Investment in Infinity

Alliance Three-Year Outlook

Infinity PHARMACEUTICALS

	2012	2013	2014
Hedgehog (IPI-926) -- 50% in 2014	$ 68.0	$ 96.2	$ 96.0
PI3K (IPI-145 and additional development candidate(s))	34.0	43.0	64.2
TO662	5.7	6.0	9.6
Other Early Discovery	2.3	2.3	5.2
Grand Total	$ 110.0	$ 147.5	$ 175.0

Infinity investments	
Hedgehog (IPI-926) -- 50% in 2014	$ 96.0

Note: Infinity invested an additional ~ $17M in 2010 and ~$21M in 2011 for the Infinity / Mundipharma programs and anticipate potential additional funding for Early Discovery in future periods

Source: 2011-11 Board Book (International Companies) (2). Proposed Decision, November 2011. INTL-51.

Infinity Shares Were Sold for $438.4MM

Through its parent companies Beacon Company and Rosebay Medical Company L.P., PRA L.P. sold its stake in Infinity for $438MM.

Shares Sold on April 16, 2013 by:	Total Shares	Price/Share	Total
Beacon Co.	5.7MM	$38.4	$219.2MM
Rosebay Medical Co. L.P.	5.7MM	$38.4	$219.2MM
Total	**11.4MM**		**$438.4MM**

Source: Beacon Co, Form 4, April 16, 2013, page 1. Rosebay Medical Co L.P., Form 4, April 16, 2013 , page 1.
Infinity shares (fully-diluted) held by Beacon and Rosebay was 20.6% each in Feb. 2009 and 15.9% each in Feb. 2012.

Beacon Co.'s Sale of Infinity's Shares Resulted in Proceeds of $219.2MM

FORM 4 — **UNITED STATES SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

OMB APPROVAL
OMB Number: 3235-0287
Estimated average burden hours per response: 0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

[X] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*
Beacon Co

(Last) (First) (Middle)
C/O OGIER HOUSE, THE ESPLANADE
ST. HELIER

(Street)
JERSEY CHANNEL ISLANDS JE4 9WG

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
INFINITY PHARMACEUTICALS, INC. [INFI]

3. Date of Earliest Transaction (Month/Day/Year)
04/16/2013

4. If Amendment, Date of Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
Director X 10% Owner
Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing (Check Applicable Line)
X Form filed by One Reporting Person
Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	04/16/2013		S		5,708,282(1)	D	$38.4	0	D	

Source: Beacon Co, Form 4, April 16, 2013, page 1.

Rosebay Medical Co. L.P.'s Sale of Infinity's Shares Resulted in Proceeds of $219.2MM

FORM 4 — **UNITED STATES SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

OMB APPROVAL
OMB Number: 3235-0287
Estimated average burden hours per response: 0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

[X] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*
Rosebay Medical Co L.P.

(Last) (First) (Middle)
C/O NORTH BAY ASSOCIATES
14000 QUAIL SPRINGS PARKWAY #2200

(Street)
OKLAHOMA CITY OK 73134

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
INFINITY PHARMACEUTICALS, INC. [INFI]

3. Date of Earliest Transaction (Month/Day/Year)
04/16/2013

4. If Amendment, Date of Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
Director — X — 10% Owner
Officer (give title below) — Other (specify below)

6. Individual or Joint/Group Filing (Check Applicable Line)
X Form filed by One Reporting Person
Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	04/16/2013		S		5,708,283(1)	D	$38.4	0	D	

Source: Rosebay Medical Co L.P., Form 4, April 16, 2013, page 1.

Value of PPLP's Equity Interest in Infinity Transferred to PRA L.P. is $305MM

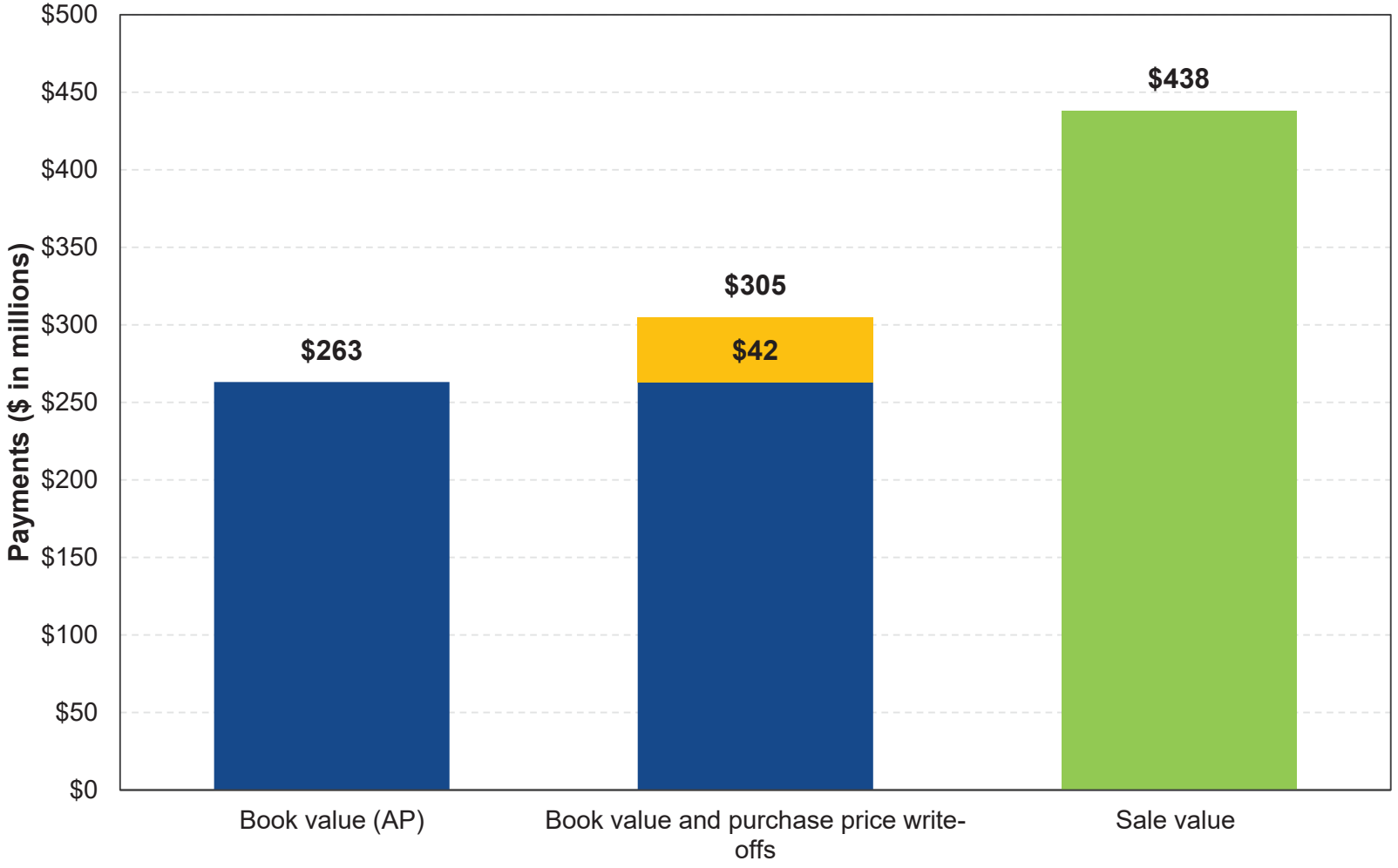
The estimated value of PPLP's equity interest transferred to PRA L.P. is $305MM. This is based on the initial investment made and subsequently transferred, i.e., $45MM in 2008, $30MM in 2009, and the 2013 transfer value of $230MM, at fair market values.

The book value of the equity recorded at the time of the transfer was $263MM, but this excludes certain purchase price write-offs. In comparison, PRA L.P. realized $438.4MM when it sold the Infinity shares it had received from Purdue Pharma.

This is illustrated in the next page.

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 50.

Value of PPLP's Equity Interest in Infinity Transferred to PRA L.P. is $305MM (contd.)



Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 50; Beacon Co., Form 4, April 16, 2013.; Rosebay Medical Co L.P., Form 4, April 16, 2013; Infinity Pharmaceuticals, Form 8-K, November 19, 2008; Infinity Pharmaceuticals, Form 8-K, January 7, 2009; Infinity Pharmaceuticals, Form 8-K, July 17, 2012; Infinity Pharmaceuticals, Form 10-K, 2009; 2013 PPLP Audited Statement, Note 3, page 4.
Note: Excludes any payments due to PPLP from outstanding R&D repayment obligation. 47% of the sale value was transferred in 2013.

Per the 2012 Agreement, PPLP and Mundipharma Could Receive Additional Payments From Infinity

Following the termination of the 2012 agreement, Infinity had an outstanding R&D funding repayment obligation of ~$260MM, to be paid via future royalties to PPLP and Mundipharma. This includes:

- 4% aggregate royalty on worldwide net sales of products, including IPI-549, to PPLP and Mundipharma before R&D repayment
- 1% royalty on net sales in the U.S. of products that were previously subject to the strategic alliance, including IPI-549, after R&D payment

Source: Infinity Pharmaceuticals, Inc., 2018 10-K, page 3.

Mundipharma Appears to Have Sold Its Future Infinity Royalty Rights to Xoma for $33.8MM

Xoma to pay 33.8M USD to buy royalty stream

- The deal is simply structured as an acquisition of rights, the lump sums agreed by Xoma add up to 33.8M USD and are payable in the following instalments:
  - $10M (ten million US Dollars), payable on the Effective Date;
  - $11.5M (eleven million five hundred US Dollars), due for payment on 1 December 2020; and
  - $12.3M (twelve million three hundred US Dollars), due for payment on 1 December 2021.
- We are currently at agreement negotiation stage and we expect to sign within summer.

Source: Board document (MN Consulting LLC (Regular Session) Board Book (Final - June 18-20, 2019)). The status of U.S. rights is unclear.

Transfers of Equity For No Consideration

Third Parties: Novelos (4E)

PPLP Transferred $23.1MM of Equity in Novelos Therapeutics, Inc. to PRA L.P. for No Consideration

Novelos is a public company that develops and commercializes oxidized glutathione compounds for treatment of cancer and hepatitis.

On February 11, 2009, Novelos entered into a collaboration agreement with Mundipharma, and PPLP bought $10MM worth of Novelos shares and warrants. On August 25, 2009, PPLP made a second purchase of shares and warrants for $9MM.

PPLP distributed the shares and warrants to PRA L.P. for no consideration in two separate transactions in March and August of 2009. The value of this transfer is estimated at $23.1MM. This is based on the March 2019 distribution of $10MM (purchase price), and the August 2019 distribution with a value of $13.1MM (calculated via Black Scholes pricing model by PPLP).

The agreement between Novelos and Mundipharma was later suspended in 2011. On April 8, 2011, Novelos completed a business combination with Cellectar, Inc., and in 2014 changed its name to Cellectar Biosciences, Inc. PRA L.P.'s current ownership interest in Novelos, if any, is unknown.

PPLP's February 2009 Investment: $10MM

SECURITIES PURCHASE AGREEMENT

THIS SECURITIES PURCHASE AGREEMENT ("**Agreement**") is made as of this 11th day of February, 2009 by and among Novelos Therapeutics, Inc., a Delaware corporation (the "**Company**") and Purdue Pharma L.P., a Delaware limited partnership ("**Purdue**").

Recitals:

A. The Company desires, pursuant to this Agreement, to raise the Investment Amount (as defined below) through the issuance and sale of the following to Purdue (the "**Private Placement**"): (i) 200 shares (the "**Preferred Shares**") of a newly created series of the Company's Preferred Stock, designated "Series E Convertible Preferred Stock", par value $0.00001 per share (the "**Preferred Stock**"), which Preferred Stock shall have the rights, preferences and privileges set forth in the Certificate of Designations, Preferences and Rights, in the form of Exhibit A annexed hereto and made a part hereof (the "**Certificate of Designations**"), and each share of Preferred Stock shall have a stated value of $50,000 and shall initially be convertible into shares of the Company's Common Stock, par value $0.00001 per share (the "**Common Stock**"), at a price of $0.65 per share (the "**Conversion Price**"), for an aggregate of 15,384,615 shares of Common Stock; and (ii) a warrant to acquire up to 9,230,769 shares of Common Stock, equal to 60% of the number of shares of Common Stock underlying the Preferred Shares on the date of issue, with an exercise price of $0.65 per share, in the form of Exhibit B annexed hereto and made a part hereof (the "**Warrant**");

Issuance of Series E Shares and Warrants

The shares of the common stock offered hereby are issuable upon conversion of approximately 202.8 shares of our outstanding Series E Convertible Preferred Stock, stated value $50,000 per share ("Series E preferred stock"), having an aggregate stated value of approximately $10,140,000. A total of 645.442875 shares of Series E preferred stock were issued on February 11, 2009, and are convertible at a price of $0.65 per share of common stock. Of that total amount, 200 shares of Series E preferred stock were sold in a private placement together with warrants to purchase up to 9,230,769 shares of common stock at an exercise price of $0.65 per share, to Purdue Pharma, L.P. ("Purdue"), an independent associated company of Mundipharma, for a gross purchase price of $10,000,000 (approximately $9,200,000 net after deduction of advisor fees and transaction expenses). This sale took place concurrently with the entry into the collaboration agreement with Mundipharma. The remaining 445.442875 shares of the Series E preferred stock were issued in exchange for all of our then outstanding shares of our Series D Convertible Preferred Stock, stated value $50,000 per share ("Series D preferred stock"), which had been issued in a private placement to accredited investors in April 2008. At the time of that exchange, warrants to purchase 11,865,381 shares of our common stock at an exercise price of $0.65 per share held by the former Series D investors were amended, primarily to extend their exercisability until December 31, 2015, the date on which the warrants issued to Purdue cease to be exercisable. As of April 8, 2010, approximately 408 shares of Series E preferred stock remain outstanding.

Note: Feb. 2009 investment included (200 Preferred Shares convertible into 15,384,615 shares of common stock at $0.65/share and warrants to acquire up to 9,230,769 shares at $0.65/share).
Source: Novelos Securities Purchase Agreement (Feb. 11, 2009). Novelos Therapeutics, Inc. Prospectus (May 3, 2010), 6.

PPLP's August 2009 Investment: $9MM

SECURITIES PURCHASE AGREEMENT

THIS SECURITIES PURCHASE AGREEMENT ("**Agreement**") is made as of this 25th day of August, 2009 by and among Novelos Therapeutics, Inc., a Delaware corporation (the "**Company**") and Purdue Pharma L.P., a Delaware limited partnership ("**Purdue**").

Recitals:

A. The Company desires, pursuant to this Agreement, to raise the Investment Amount (as defined below) through the issuance and sale, in the aggregate, of the following to Purdue (the "**Private Placement**"): (i) 13,636,364 shares (the "**Common Shares**") of Common Stock, par value $0.00001 per share (the "**Common Stock**"); and (ii) warrants to acquire shares of Common Stock equal to 35% of the aggregate number of shares of Common Stock to be issued and sold to Purdue pursuant to the Closings (as defined below) rounded up to the next even number at each Closing (as defined below), approximately 4,772,728 shares of Common Stock, with an exercise price of $0.66 per share, each to be in the form of **Exhibit B** annexed hereto and made a part hereof (the "**Warrants**");

August 2009 Common Stock Private Placement

Securities Purchase Agreement

On August 25, 2009, the Company entered into the August 2009 Purchase Agreement with Purdue to sell 13,636,364 shares of its common stock, $0.00001 par value and warrants to purchase 4,772,728 shares of its common stock at an exercise price of $0.66 per share, expiring December 31, 2015, for an aggregate purchase price of $9,000,000 (the "August 2009 Private Placement"). Concurrent with the execution and delivery of the August 2009 Purchase Agreement, the Company sold Purdue 5,303,030 shares of its common stock and a warrant to purchase 1,856,062 shares of its common stock at $0.66 per share for approximately $3,500,000 (the "Initial Closing"). On November 10, 2009, the Company completed the final closing under the August 2009 Purchase Agreement and sold Purdue 8,333,334 shares of Novelos common stock and warrants to purchase 2,916,668 shares of Novelos common stock for gross proceeds of $5,500,000. Issuance costs associated with the transactions totaled $61,000 and such amount was recorded as a reduction of additional paid-in capital.

Note: Aug. 2009 investment included (13,636,364 shares of common stock and warrants to acquire 4,772,728 shares ($0.66/share).
Source: Novelos Securities Purchase Agreement (Aug. 25, 2009). Novelos Therapeutics, Inc. Prospectus (May 3, 2010), F-15.

Summary of PPLP's Investment: $19MM

Description	Total Shares	Price/Share	Amount
Feb. 11, 2009 Share Purchase, Includes 9,230,769 Warrants	15,384,615	$0.65	**$10,000,000**
Aug. 25, 2009 Share Purchase, Includes 4,772,728 Warrants	13,636,364	$0.66	**$9,000,000**
Total	**29,020,979**		**$19,000,000**

Source: Intercompany and Non-Cash Transfers Analysis (Alix Partners, May 28, 2020), 349. Novelos Therapeutics, Inc. Prospectus (May 3, 2010), 38, F-15

2009 Collaboration Agreement With Mundipharma

On February 11, 2009, Novelos entered a "collaboration agreement with Mundipharma for the development, manufacture and commercialization of licensed products including […] lead compound, NOV-002, in Europe (other than the Russian Territory), Asia (other than the Chinese Territory) and Australia."

This agreement included provisions for:

- Launch payments up to $25MM ($2.5MM per country)
- Sales milestones up to $60MM
- Royalties: "Double-digit" royalties, based on tiers

Source: Novelos Therapeutics, Inc. Prospectus (May 3, 2010), 39. (See SEC filing).

Collaboration Agreement With Mundipharma: Deal Terms

The collaboration agreement provides that Mundipharma pay us $2.5 million upon the launch of NOV-002 in each country in the Mundipharma Territory, up to a maximum of $25 million. In addition, Mundipharma is obligated to make fixed sales-based payments up to an aggregate of $60 million upon the achievement of certain annual sales levels payable once the annual net sales exceed the specified thresholds. Mundipharma is obligated to pay as royalties to us, during the term of the collaboration agreement, a double-digit percentage on net sales of licensed products, based upon a four-tier royalty schedule, in countries within the Mundipharma Territory where we held patents on the licensed technology as of the effective date of the collaboration agreement. Royalties in countries in the Mundipharma Territory where we did not hold patents as of the effective date will be paid at 50% of the royalty rates in countries where patents were held. The royalties will be calculated based on the incremental net sales in the respective royalty tiers and shall be due on net sales in each country in the Mundipharma Territory where patents are held until the last patent expires in the respective country. In countries in the Mundipharma Territory where we did not hold patents as of the effective date of the collaboration agreement, royalties will be due until the earlier of 15 years from the date of the collaboration agreement or the introduction of a generic in the respective country resulting in a 20% drop in Mundipharma's market share in such country.

Source: Novelos Therapeutics, Inc. Prospectus (May 3, 2010), 39. (See SEC filing).

Mundipharma Board Document (Sept. 6, 2008): Average Royalty Rate of 10-15%, with Effective Profit Share to Novelos of 36%

NOV-002: Deal Terms for Europe

mundipharma Oncology

Novelos / NOV-002 Europe Deal Analysis

Payment Description	Value ($'k)	Value (€'k)	Payable
Payment on signature	17,500	12,234	Q4/08
NSCLC: 1st line advanced (stage IIIB/IV)			
Submission of MAA	10,000	6,991	Q2/10
Reimbursement & Launch	15,000	10,486	Q2/11
BC: Neoadjuvant (stage IIB/IIIC)		-	
Completion of Phase III trial	5,000	3,495	Q3/13
Approval	15,000	10,486	Q1/15
OC: 2nd Line platinum-resistant or refractory		-	
Completion of Phase III trial	2,000	1,398	Q4/13
Approval	3,000	2,097	Q1/15
First achievement of sales over $100 million	10,000	6,991	2013
First achievement of sales over $250 million	25,000	17,477	2016
First achievement of sales over $500 million	50,000	34,953	0
Total Payments achievable by Novelos	**152,500**	**106,607**	

	Value ($'k)	Value (€'k)
NPV	179,904	125,764
IRR	34%	
Peak Sales	334,753	234,012
Mundipharma Clinical costs	46,603	32,578
Total Payments to Novelos	102,500	71,654

First year of Net Profit	2013
Cumulative Payback	2015

Average Royalty Rate 10-15%

NSCLC only

Value ($'k)	Value (€'k)
132,073	92,327
35%	
174,398	121,915
26,004	18,178
52,500	36,701

2013
2015

Source: 2008-11 Board Book (International Companies) (2). Board of Directors Meetings, November 20, 2008.
Note: 36% = $102,500 /($102,500 + $179,904). Average royalty rate does not include milestone payments.

PPLP Distributed the Shares and Warrants Valued at $23.1MM

PPLP distributed the shares and warrants valued at $23.1MM. They were distributed as follows: (1) February 2009 transfer: $10MM (book-value) and (2) August 25, 2009 transfer of stocks and warrant: $13.1MM (fair-value). Purdue valued the warrants using Black Scholes model to estimate price per share of $0.50/share as shown below.

Purdue Pharma L.P.
Novelos Transactions - Summary of Fair Values of Assets Received
August 25, 2009

	# of Shares/ Warrants	Unit value	Calculated Fair Value	
Fair value of 13,636,364 shares of common stock	13,636,364	$0.79	$10,772,728	Distributed on 8/25/09
Fair value of warrants to purchase 4,772,728 common shares	4,772,728	$0.50	2,367,370	Distributed on 8/25/09
Fair value of right to exclusive negotiation period			0	
			13,140,097	
Less amount paid			9,000,000	
Gain on transaction			$4,140,097	

Source: Intercompany and Non-Cash Transfers Analysis (Alix Partners, May 28, 2020), 349; Black Scholes - NVLT v2.xls

Purdue Pharma's Transfer of Novelos Equity Rights to PRA L.P. valued at $23MM

Description	Total Shares	Price/Share	Amount
Feb. 11, 2009 Share Purchases	15,384,615	$0.48	**$7,384,669**
Feb. 11, 2009 Warrants	9,230,769	$0.25	**$2,331,188**
Sub-Total			**$9,715,857**
Aug. 25, 2009 Share Purchases	13,636,364	$0.79	**$10,772,728**
Aug. 25, 2009 Warrants	4,772,728	$0.50	**$2,367,370**
Sub-Total			**$13,140,097**
Total			**$22,855,954**

The fair value of the February 11, 2009 investment, using the same approach used by Purdue Pharma for its August 25, 2009 investment, is $9.7MM, slightly lower than the $10MM paid to Novelos.

Source: Black Scholes - NVLT v2.xls; Novelos Therapeutics, Inc., Form 10-K (Dec. 31, 2009), 66-67.); Novelos Therapeutics, Inc.; Form Securities Purchase Agreement (Aug. 25, 2009), 1); Intercompany and Non-Cash Transfers Analysis (Alix Partners, May 28, 2020), 349

Limited Information to Assess Value Realized by PRA L.P. From Its Subsequent Sale of Its Interest in Novelos

It is unclear when PRA L.P. sold its shares in Novelos, and how much it realized from such sales.

As of March 22, 2010, PRA L.P.'s ownership interest in Novelos was 23.8%. But by April 11, 2011, PRA L.P. is no longer listed in the company's SEC filings, implying that PRA L.P.'s ownership had fallen to below 5%.

On April 8, 2011, Novelos completed a business combination with Cellectar, Inc., and in 2014 changed its name to Cellectar Biosciences, Inc. PRA L.P.'s ownership interest, if any, is unknown after that.

Source: Novelos Therapeutics, Inc., Form 10-K (Dec. 31, 2009), 67.); Novelos Therapeutics, Inc., Form 10-K (Dec. 31, 2010), 68-69.). Cellectar, "Novelos Therapeutics Announces Corporate Name Change to Cellectar Biosciences, Inc.," (Feb. 11, 2014). Novelos Therapeutics, Inc., Form 10-K (Dec. 31, 2010), 3.

Transfers of Equity For No Consideration

Third Parties: Kolltan (4D)

PPLP Transferred $15.1MM of Equity in Kolltan Pharmaceuticals Inc. to PRA L.P for No Consideration

Kolltan Pharmaceuticals is a private company focused on oncology and immunology.

In 2008, PPLP made three different investments in Kolltan for a total of $13MM. These investments were made on May 1 ($10MM), August 7 ($1.5MM), and December 22 ($1.5MM) of 2008. PPLP made an additional investment on March 4, 2014 for $2.1MM. In total, PPLP invested $15.1MM in Kolltan.

PPLP subsequently transferred its Kolltan equity to PRA L.P. for no consideration. The 2008 investment of $13MM was transferred in September 2009, and the 2014 investment of $2.1MM was transferred in 2014.

The value of this transfer is estimated to be $15.1MM based on the value at the time of the transfer.

Investments in Kolltan by PPLP

$ in millions	2008	…	2014	Total
May 1, 2008: Series A Convertible Preferred Stock	$10.0	-	-	$10.0
August 7, 2008: Pro-rata Share of Additional Capital Raise	$1.50	-	-	$1.5
December 22, 2008: Pro-rata Share of Additional Capital Raise	$1.45	-	-	$1.45
March 4, 2014: Series D Preferred Stock	-	-	$2.05	$2.05
2014: Common Share Exercised	-	-	$0.11	$0.11
Total Investment	**$12.95**	**-**	**$2.16**	**$15.11**

As of December 2015, Rosebay and Beacon each had a 4.26% stake in Kolltan.

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 334-338. Summary Term Sheet for purchase of Series A Convertible Preference Shares, May 1, 2008, at 1; Board decision on June 24, 2008, at 709; Board decision on August 7, 2008, at 719; Screenshot of an email dated Dec. 22, 2009 confirming additional purchase of shares, Dec. 22, 2008, at 308; Written Consent of the General Partner, Mar. 4, 2014, 1.

Mundipharma 2013 Board Documents Also Discussed Series D Investment in Kolltan

PROPOSED DECISION

July 25, 2013

Investment Proposal: Kolltan Pharmaceuticals ("Kolltan")

It is proposed that Purdue Pharma L.P. ("PPLP") make a $6.45 million follow on equity investment in Kolltan as part of Kolltan's Series D round financing based upon the following:

1. The pro-rata $6.45 million investment in the $50 million Series D financing round will maintain the existing 12.9% stake (fully diluted) in Kolltan held 50% by Beacon Company ("Beacon") and 50% by Rosebay Medical Company L.P. ("Rosebay");
2. The $6.5 million investment will be made at $2 per share (i.e., -same per share price as the last Series C financing round completed by Kolltan);
3. The investment is contingent on Kolltan offering PPLP a formal, voting seat on the Kolltan Board of Directors;
4. Upon acquisition of the Series D shares by PPLP, PPLP will distribute the shares 50% to Beacon and 50% to Rosebay;

Approval Requested

Mundipharma International seeks Board of Directors concurrence to make a $6.45 million follow-on equity investment in Kolltan Pharmaceuticals as part of that company's D round financing

- A pro-rata $6.45 M investment in the $50 million round maintains Purdue's existing 12.9% stake (fully diluted) in Kolltan
  - Investment made at $2 per share (no step up on C round)

Source: 2013-07 Board Book (Regular Session), July 25, 2013. INTL-124 and INTL-135.

Estimated Value of Kolltan Equity Position Based on the Company's Sale Price

Kolltan filed for an IPO in December 2014, but it was withdrawn on January 28, 2015.

On November 1, 2016, Celldex acquired Kolltan for a $62.5MM upfront payment and up to $172.5MM in development, regulatory, and commercial milestone payments. The acquisition's fair value was $117.6MM. This included (1) $73.397MM in fair value of stock issued by Celldex for upfront acquisition costs; and (2) $44.2MM in fair value of the contingent consideration.

The fair value of Kolltan stake held by PRA L.P. at the time of the acquisition by Celldex is estimated to be $10MM. This assumes that Beacon and Rosebay each still held 4.26% (8.52% total) of $117.6MM in fair value at the time of the acquisition.

Source: Renaissance Capital, "Cancer biotech Kolltan Pharmaceuticals withdraws $86 million IPO," Nasdaq Markets, Jan. 28, 2015; Celles, "Celldex Expands Antibody and Immuno-Oncology Portfolio with the Acquisition of Kolltan Pharmaceuticals," Celles press release, Nov. 1, 2016; Celldex Therapeutics, Inc. 2017 10-K, 116.

Transfers of Equity For No Consideration

Related Party: Coventry (4A)

Transfer From PPLP to PRA L.P. of Equity Interest in Coventry Technologies L.P. ("Coventry") in 2008

Coventry Technologies L.P. was formed on July 8, 2004 with Purdue Pharma Inc. as the sole general partner. On January 1, 2008, PPLP transferred 100% of its interest in Coventry to PRA L.P.

This transfer was made for no consideration and was executed at a book value of $52.3 million, which is the estimated value of the transfer. However, this does not represent a loss of value to the Debtor, since the transfer, after the rights were subsequently transferred to Coventry, occurred between two parties within the Debtor group.

At the time of transfer, Coventry owned 100% of Rhodes Technologies and Rhodes Pharmaceuticals L.P. PPLP currently owns both Rhodes Technologies and Rhodes Pharmaceuticals L.P. through parent Rhodes Associates L.P.

Carrying Value of Coventry on Jan. 1, 2008 When it Was Transferred to PPLP

On January 1, 2008, PPLP transferred 100% of its interest in Coventry to PRA L.P. At the time of the transfer, the book value of Coventry was $52.328MM. This included (1) Partner's capital & retained earnings of $51.506MM; and (2) accumulated other comprehensive income of $0.822MM.

On January 1, 2008, PPLP distributed its ownership interest in Coventry Technologies L.P. and its wholly owned subsidiaries ("Coventry") to PPLP's partners. The carrying value of Coventry's consolidated balance sheet at January 1, 2008 consisted of the following:

	January 1, 2008 *(In thousands)*
Cash	$ 5
Inventory	22,882
Property and equipment, net	31,398
Other assets	6,294
Accrued expenses and other liabilities	1,236
Other liabilities	7,015
Partners' capital & retained earnings	51,506
Accumulated other comprehensive income	822

Source: Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 49. Purdue Financial Statement, 2008, 11. PPLP Audited Statement 2009, 12.

Background on Coventry

Coventry Technologies L.P. was formed on July 8, 2004 with Purdue Pharma Inc., a parent company to PPLP, as the sole general partner. The stated purpose of the partnership between PPLP and Coventry was the manufacture, promotion, marketing, distribution and sale of chemical, cosmetic, toiletry or pharmaceutical ingredients, preparations, and products. It also included the potential to purchase, sell, or hold equity interests in other entities.

On January 1, 2008, the Coventry partnership agreement was amended to transfer the limited partnership interest from PPLP to Beacon Company and Rosebay Medical Company L.P., the parent companies of PRA L.P. Purdue Pharma Inc. remained the sole general partner.

Source: Certificate of Limited Partnership of Coventry Technologies L.P., dated July 8, 2004; Amended and restated limited partnership agreement for Coventry Technologies L.P., dated January 1, 2008.

Background on Coventry (Cont.)

Similarly, in an October 2015 investor presentation, Coventry was described as a specialty pharmaceutical company that owns (1) Rhodes Technologies, which manufactures active pharmaceutical ingredients; and (2) Rhodes Pharmaceuticals L.P., which develops and commercializes generic pharmaceuticals.

Coventry Technologies L.P. was still owned by Rhodes Technologies and Rhodes Pharmaceuticals L.P. as of January 25, 2018. However, as of August 5, 2019, PPLP owned Rhodes Technologies and Rhodes Pharmaceuticals L.P. through ownership of their parent company, Rhodes Associates L.P. As of August 5, 2019, Coventry Technologies L.P. does not separately appear among PPLP's subsidiaries.

Source: PPD0002856798 (family), page 4; Purdue - Corporate Structure Charts [Draft - 1.25.2018], pages 34 and 40; PPLP & Subsidiaries_August 5, 2019, page 1.

Coventry Financial Summary in 2016

In 2016, Coventry Technologies L.P.'s assets included: Rhodes Technologies and Rhodes Pharmaceuticals L.P., Rhodes Pharmaceuticals Inc., UDF L.P., SVC Pharma Inc., SVC Pharma L.P., Button Land L.P., and Quidnick Land L.P.

The following table shows Coventry's financial summary in 2016.

Year Ending on December 31, 2016	$ in millions
Net Sales	$171
Gross Profit	$71
Operating Income/Loss	-$16
Net Income/Loss	-$17
Comprehensive Income/Loss	**-$16**

By August 2019, all of the entities listed above had Rhodes Associates L.P. (owned by PPLP) as the parent entity.

Source: Audited consolidated financial statements for Coventry Technologies L.P. and subsidiaries, year ended December 31, 2016, page 6; Purdue - Corporate Structure Charts [Draft - 1.25.2018], pages 34 and 40; PPLP & Subsidiaries, August 5, 2019, page 1.

Transfers of Equity For No Consideration

Related Party: New Suffolk Holdings (4G)

New Suffolk Holdings LLP Equity Valued at $32.8MM Transferred by PPLP to PRA L.P. for No Consideration

New Suffolk Holdings LLP ("NSH") was a wholly owned PPLP subsidiary at the time of the transfer in 2010.

Effective January 1, 2008, NSH entered into a silent partnership agreement with Mundipharma Vertriebsgesellschaft mbH & Co. KG ("Mundi KG"), a European associated company. Mundi KG develops, manufactures, and sells pharmaceutical products, which are marketed primarily to the medical and health care industries in Germany.

NSH made advances to Mundi KG of $12.7MM in 2008 and $12.8MM in 2009. NSH reported equity earnings of $0.3MM in 2008, $3.9MM in 2009, and $3.1MM in 2010.

On April 30, 2010, PPLP transferred 100% interest in NSH to PRA L.P. for no consideration.

Based on the information available to me, the estimated value of the NSH equity interest transferred to PRA L.P. is $32.8MM, per the equity value (i.e., Partners' capital) recognized by PPLP at the time of the transfer.

NSH Was Transferred to PPLP on Jan. 1, 2008 and Then Transferred to PRA L.P. on Apr. 30, 2010

Effective January 1, 2008, New Suffolk Holdings LLP ("NSH"), a wholly owned subsidiary of PPLP, entered into a silent partnership agreement with Mundipharma Vertriebsgesellschaft mbH & Co. KG ("Mundi KG"), a European associated company. Mundi KG develops, manufactures and sells pharmaceutical products, which are marketed primarily to the medical and health care industries in Germany. Under the terms of the agreement, NSH advanced $12.7 million to Mundi KG during 2008. NSH recognized $0.3 million of equity income in 2008 as a result of this agreement. In 2009, NSH made an additional investment in Mundi KG of $13.1 million and has committed to additional funding in 2009 up to $20.0 million.

Source: PPLP Audited Statement 2008, 28.

NSH History

NSH, a wholly owned PPLP subsidiary, paid Mundi GK advances of $12.7MM in 2008 and $12.8MM in 2009. These investments are not separately added to the transfer estimate, as they were not written off and would be reflected in the book value. NSH continued to receive investments from PRA L.P. after the transfer of rights.

NSH's equity income from 2008 to 2010 (during PPLP ownership period) was:

- 2008: $0.3MM
- 2009: $3.9MM
- 2010: $3.1MM

NSH was still owned by PRA L.P. as of January 25, 2018.

Source: PPLP Audited Statement 2008, 28; PPLP Audited Statement 2009, 28; PPLP Audited Statement 2010, 29; AlixPartners, Cash Transfers of Value Analysis, December 16, 2019, page 330-331.

Assignment and Assumption Agreement: NSH

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "Agreement") effective April 30, 2010 (the "Assignment Date") by and between Purdue Pharma L.P., a Delaware limited partnership ("Assignor"), and Purdue Holdings L.P., a Delaware limited partnership ("Assignee");

W I T N E S S E T H :

WHEREAS, Assignor has distributed 100% of Assignor's interest in Lucien Holdings S.ar.l. ("Lucien"), a Luxembourg company (the "Lucien Interest") held by the Assignor to Assignee; and

WHEREAS, Assignor has distributed 100% of Assignor's interest in New Suffolk Holdings LLP, a Delaware limited liability partnership (the "New Suffolk Interest") held by the Assignor to Assignee; and

WHEREAS, Assignor has distributed 100% of Assignor's interest in RSJ Company L.P., a Delaware limited partnership (the "RSJ Interest") held by the Assignor to Assignee; and

WHEREAS, Assignor has distributed 100% of Assignor's interest in the debt obligations owed to Assignor by Lucien and Lucien's wholly-owned subsidiaries (the "Lucien Debt Obligations") held by the Assignor to Assignee; and

WHEREAS, in connection with the foregoing contribution, Assignor desires to assign and Assignee desires to assume the Lucien Interest, the New Suffolk Interest, the RSJ Interest and the Lucien Debt Obligations (collectively the "Interests") upon the terms and conditions set forth herein;

Source: Assignment and Assumption Agreement, April 30, 2010.

PPLP's 100% Ownership Interest in NSH Was Transferred to PRA L.P. on April 30, 2010

On April 30, 2010, PPLP distributed its ownership interest in Lucien Holdings S.ar.l., a Luxembourg associated company ("Lucien"), New Suffolk Holdings LLP ("NSH") and RSJ Company L.P. ("RSJ") to its limited partner. Concurrent with the distribution, Lucien, NSH and RSJ were removed from the Companies' combined financial statements. The carrying value of Lucien, NSH and RSJ's balance sheets on April 30, 2010 consisted of the following:

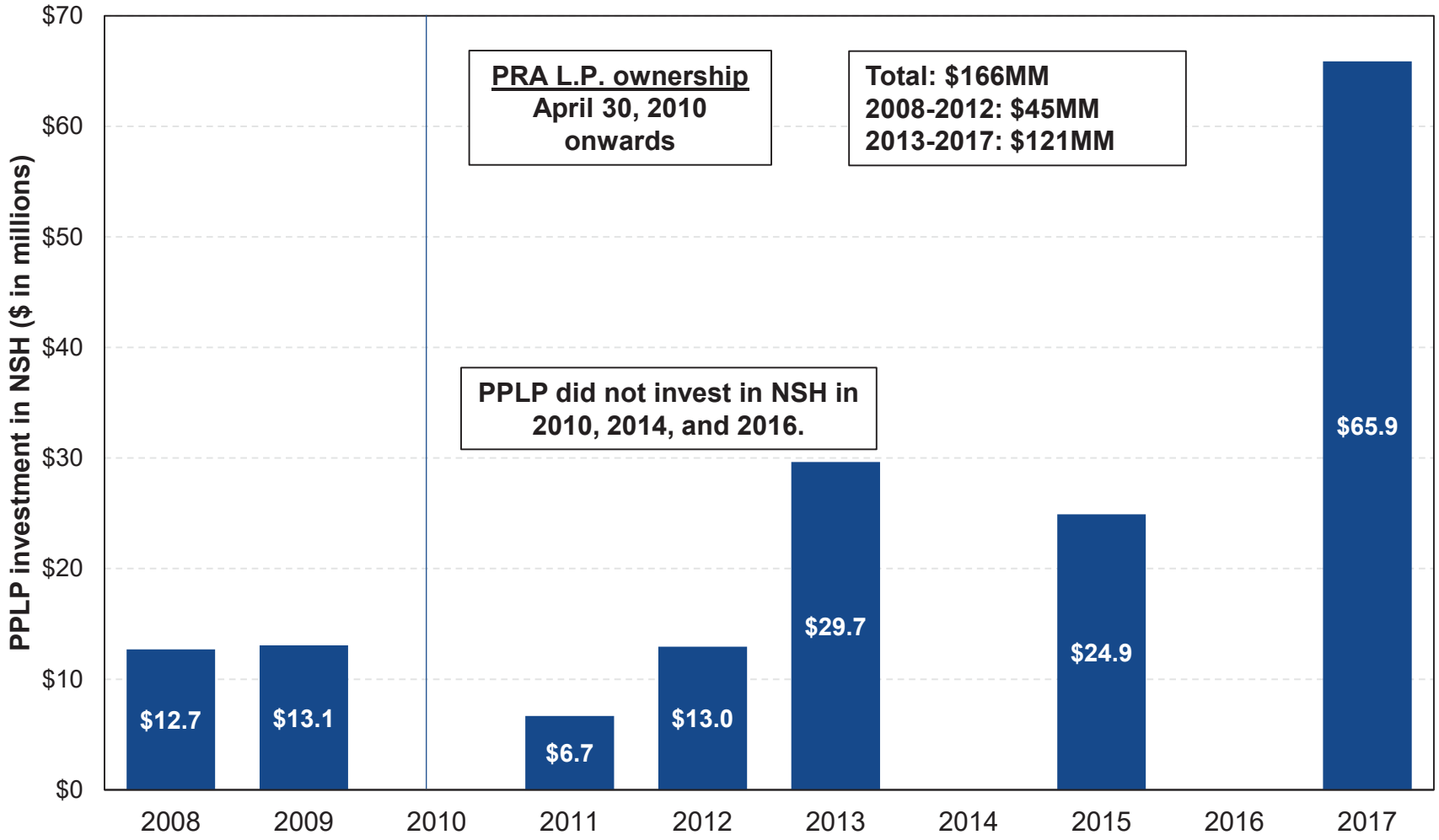
	April 30, 2010 (In thousands)
Cash	$ 4,158
Investments in associated companies	32,858
Accrued expenses and other liabilities	235
Due to affiliated companies	98
Partners' capital	32,219
Accumulated other comprehensive loss	4,464

	Common Stock	Additional Paid-in Capital	Common Stock Subscription Receivable	Partners' Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
				(In thousands)			
Investment distributions:							
New Suffolk Holdings LLP	–	–	–	(32,761)			(32,761)

NSH distribution was valued at $32.761MM.

Source: PPLP Audited Statement 2010, 4, 12.

After the Transfer to PRA L.P., NSH Received Investments of $140MM During 2011–2017 ($121MM During 2013–2017)



Source: Distributions 2008-2017 Actuals.xlsx, tab Detail.

Transfers of Equity For No Consideration

Related Party: Millsaw Realty (4C)

Transfer of Equity Interest in Millsaw Realty L.P. ("Millsaw") in 2009 From PPLP to PRA L.P.

Millsaw Realty L.P is a PPLP affiliated realty group used in the purchase and sale of land.

On January 1, 2009, PPLP transferred 100% of its equity interest in Millsaw to PRA L.P. under an Assignment and Assumption Agreement. This transfer was made for no consideration.

In 2010, Millsaw made a $30MM distribution to Beacon Company and Rosebay Medical Company. This cash distribution is captured in the Cash Transfers of Value Analysis Report (Dec. 16, 2019). At the time of the cash distribution, Millsaw was not included in PPLP's audited financial statements, and Millsaw was not a subsidiary of PPLP at the time.

Based on the equity value (i.e., Partners' capital) recognized by PPLP at the time of the transfer according to its financial statements, the estimated value of this equity interest transferred to PRA L.P. is $7.4MM.

Pre-2009 Background on Transfer to PRA L.P. and Millsaw Sale of Ardsley Park

In December 2005, PPLP and Millsaw sold property in Ardsley, NY ("Ardsley Park") to [redacted] for $25.0MM. Concurrent with the sale, PPLP leased the property back under a net lease and had the option to repurchase the property for $25.8MM or for its then fair value at the expiration of the lease.

In April 2008, PPLP and Millsaw exercised the repurchase option, and in December 2008, the purchase was closed by a cash payment.

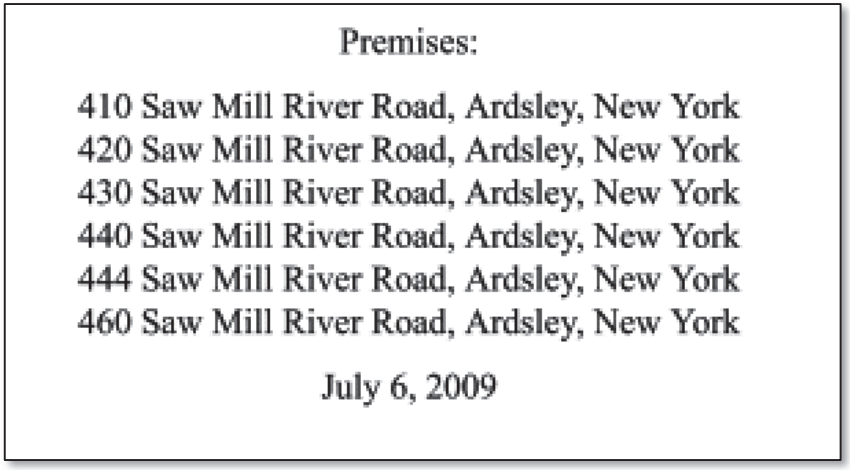
On December 30, 2005, PPLP and Millsaw sold real property in Ardsley, New York ("Ardsley Park") to [redacted] an affiliate of [redacted] for $25 million, consisting of $5 million cash and a twenty-nine year 6% interest only $20 million mortgage note, collateralized by Ardsley Park. On April 16, 2008, Millsaw exercised its option to purchase Ardsley Park for $25.8 million, and on December 17, 2008 closed the purchase by a cash payment of $5.8 million and cancellation of the mortgage note.

Source: 2009 Purdue Pharma LP and Associated Companies Notes to Combined Financial Statements, December 31, 2009, page 19; 2008 Purdue Pharma LP and Associated Companies Notes to Combined Financial Statements, March 31, 2009, page 18; Purchase and Sale Agreement between Millsaw and OSI Pharmaceuticals, July 6 2009, page 1.

2009–2010 Transfer to PRA L.P. and Millsaw Sale of Ardsley Park

On January 1, 2009, PPLP transferred 100% of its equity interest in Millsaw to PRA L.P. under an Assignment and Assumption Agreement.

- In July 2009, Millsaw sold the Ardsley Park property for $27MM
- In 2010, Millsaw made a $30MM distribution to Beacon Company ("Beacon") and Rosebay Medical Company ("Rosebay")



Premises:

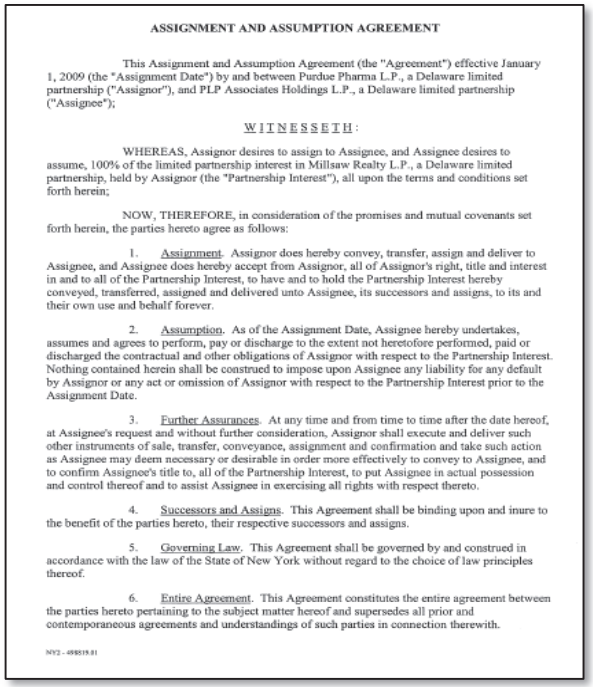
410 Saw Mill River Road, Ardsley, New York
420 Saw Mill River Road, Ardsley, New York
430 Saw Mill River Road, Ardsley, New York
440 Saw Mill River Road, Ardsley, New York
444 Saw Mill River Road, Ardsley, New York
460 Saw Mill River Road, Ardsley, New York

July 6, 2009

Source: 2009 Purdue Pharma LP and Associated Companies Notes to Combined Financial Statements, December 31, 2009, page 19; 2008 Purdue Pharma LP and Associated Companies Notes to Combined Financial Statements, March 31, 2009, page 18; Purchase and Sale Agreement between Millsaw and OSI Pharmaceuticals, July 6 2009, page 1. Cash Transfers of Value Analysis, December 16, 2019, page 350.
Note: Rosebay Medical Company LP and Beacon Company are both 50% limited partners of BR Holdings Associates LP, which is a limited partner of PRA L.P.

Purdue Pharma Inc. Distributed 100% Interest in Millsaw to PRA L.P.

In January 2009, Purdue Pharma Inc. ("PPI") distributed 100% of its ownership interest in Millsaw to PRA L.P. PPLP received no consideration for the transfer.



ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "Agreement") effective January 1, 2009 (the "Assignment Date") by and between Purdue Pharma L.P., a Delaware limited partnership ("Assignor"), and PLP Associates Holdings L.P., a Delaware limited partnership ("Assignee");

W I T N E S S E T H :

WHEREAS, Assignor desires to assign to Assignee, and Assignee desires to assume, 100% of the limited partnership interest in Millsaw Realty L.P., a Delaware limited partnership, held by Assignor (the "Partnership Interest"), all upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the promises and mutual covenants set forth herein, the parties hereto agree as follows:

1. Assignment. Assignor does hereby convey, transfer, assign and deliver to Assignee, and Assignee does hereby accept from Assignor, all of Assignor's right, title and interest in and to all of the Partnership Interest, to have and to hold the Partnership Interest hereby conveyed, transferred, assigned and delivered unto Assignee, its successors and assigns, to its and their own use and behalf forever.

2. Assumption. As of the Assignment Date, Assignee hereby undertakes, assumes and agrees to perform, pay or discharge to the extent not heretofore performed, paid or discharged the contractual and other obligations of Assignor with respect to the Partnership Interest. Nothing contained herein shall be construed to impose upon Assignee any liability for any default by Assignor or any act or omission of Assignor with respect to the Partnership Interest prior to the Assignment Date.

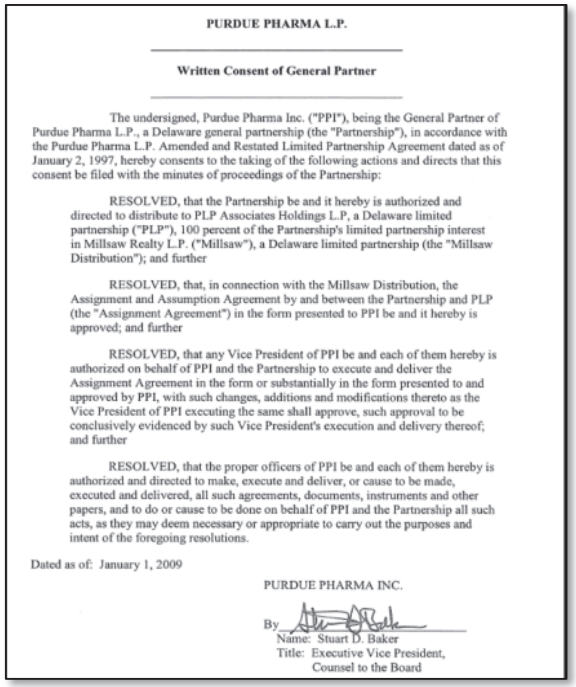
3. Further Assurances. At any time and from time to time after the date hereof, at Assignee's request and without further consideration, Assignor shall execute and deliver such other instruments of sale, transfer, conveyance, assignment and confirmation and take such action as Assignee may deem necessary or desirable in order more effectively to convey to Assignee, and to confirm Assignee's title to, all of the Partnership Interest, to put Assignee in actual possession and control thereof and to assist Assignee in exercising all rights with respect thereto.

4. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

5. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of New York without regard to the choice of law principles thereof.

6. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of such parties in connection therewith.

NY2 - 498819.01



PURDUE PHARMA L.P.

Written Consent of General Partner

The undersigned, Purdue Pharma Inc. ("PPI"), being the General Partner of Purdue Pharma L.P., a Delaware general partnership (the "Partnership"), in accordance with the Purdue Pharma L.P. Amended and Restated Limited Partnership Agreement dated as of January 2, 1997, hereby consents to the taking of the following actions and directs that this consent be filed with the minutes of proceedings of the Partnership:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute to PLP Associates Holdings L.P, a Delaware limited partnership ("PLP"), 100 percent of the Partnership's limited partnership interest in Millsaw Realty L.P. ("Millsaw"), a Delaware limited partnership (the "Millsaw Distribution"); and further

RESOLVED, that, in connection with the Millsaw Distribution, the Assignment and Assumption Agreement by and between the Partnership and PLP (the "Assignment Agreement") in the form presented to PPI be and it hereby is approved; and further

RESOLVED, that any Vice President of PPI be and each of them hereby is authorized on behalf of PPI and the Partnership to execute and deliver the Assignment Agreement in the form or substantially in the form presented to and approved by PPI, with such changes, additions and modifications thereto as the Vice President of PPI executing the same shall approve, such approval to be conclusively evidenced by such Vice President's execution and delivery thereof; and further

RESOLVED, that the proper officers of PPI be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, documents, instruments and other papers, and to do or cause to be done on behalf of PPI and the Partnership all such acts, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolutions.

Dated as of: January 1, 2009

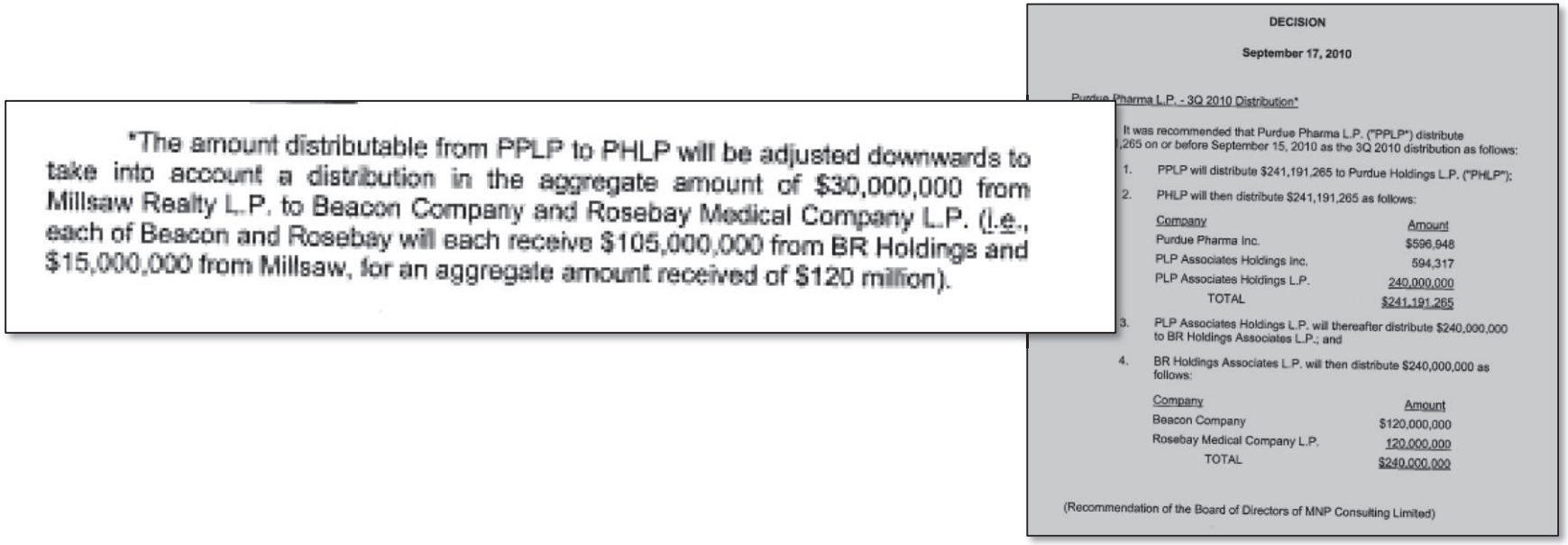
PURDUE PHARMA INC.

By _____
Name: Stuart D. Baker
Title: Executive Vice President, Counsel to the Board

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), pages 51, 333. Assignment and Assumption Agreement between PPLP and PRA L.P., January 1, 2009, page 1; Amended and Restated Limited Partnership Agreement, January 2, 1997, page 1. Purdue Pharma L.P. Written Consent of General Partner, January 1, 2009, page 1.

Millsaw's $30MM Cash Distribution to Beacon and Rosebay

In 2010, Millsaw made a $30MM distribution to Beacon and Rosebay. This distribution was not included in PPLP's audited financial statements, and was not in the October 2018 MDL presentation. Millsaw was not a subsidiary of PPLP at the time of the cash distribution.



*The amount distributable from PPLP to PHLP will be adjusted downwards to take into account a distribution in the aggregate amount of $30,000,000 from Millsaw Realty L.P. to Beacon Company and Rosebay Medical Company L.P. (i.e., each of Beacon and Rosebay will each receive $105,000,000 from BR Holdings and $15,000,000 from Millsaw, for an aggregate amount received of $120 million).

DECISION

September 17, 2010

Purdue Pharma L.P. - 3Q 2010 Distribution*

It was recommended that Purdue Pharma L.P. ("PPLP") distribute ,265 on or before September 15, 2010 as the 3Q 2010 distribution as follows:

1. PPLP will distribute $241,191,265 to Purdue Holdings L.P. ("PHLP");
2. PHLP will then distribute $241,191,265 as follows:

Company	Amount
Purdue Pharma Inc.	$596,948
PLP Associates Holdings inc.	594,317
PLP Associates Holdings L.P.	240,000,000
TOTAL	$241,191,265

3. PLP Associates Holdings L.P. will thereafter distribute $240,000,000 to BR Holdings Associates L.P.; and
4. BR Holdings Associates L.P. will then distribute $240,000,000 as follows:

Company	Amount
Beacon Company	$120,000,000
Rosebay Medical Company L.P.	120,000,000
TOTAL	$240,000,000

(Recommendation of the Board of Directors of MNP Consulting Limited)

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), pages 51, 331–333. AlixPartners, Cash Transfers of Value Analysis, December 16, 2019, page 350. Millsaw Realty L.P. Board of Directors Minutes Decision, September 17, 2010.

Millsaw Made a $30MM Cash Distribution to Beacon and Rosebay in 2010

DECISION

September 17, 2010

Purdue Pharma L.P. - 3Q 2010 Distribution*

It was recommended that Purdue Pharma L.P. ("PPLP") distribute $241,191,265 on or before September 15, 2010 as the 3Q 2010 distribution as follows:

1. PPLP will distribute $241,191,265 to Purdue Holdings L.P. ("PHLP");
2. PHLP will then distribute $241,191,265 as follows:

Company	Amount
Purdue Pharma Inc.	$596,948
PLP Associates Holdings Inc.	594,317
PLP Associates Holdings L.P.	240,000,000
TOTAL	$241,191,265

3. PLP Associates Holdings L.P. will thereafter distribute $240,000,000 to BR Holdings Associates L.P.; and
4. BR Holdings Associates L.P. will then distribute $240,000,000 as follows:

Company	Amount
Beacon Company	$120,000,000
Rosebay Medical Company L.P.	120,000,000
TOTAL	$240,000,000

(Recommendation of the Board of Directors of MNP Consulting Limited)

316

[redacted]

FOR ACCOUNTS PAYABLE USE ONLY

SAP PAYMENT DUE DATE:

Yes - do not process this Wire

No - ok to use this Form

SAP VENDOR NUMBER: 1029154

INVOICE NO. / PO NO.: 92010A

SAP DOCUMENT NUMBERS: 19—36

WIRE TRANSFER DOCUMENT NUMBER: 15—08

DATE: 20-Sep-2010 Bank Acct Name: JPMorganChase

FROM CO. NAME: Millsaw Realty LP Operating A/C Bank Acct Number: 020839689

PAYEE VENDOR NAME: BEACON CO

STREET ADDRESS:

CITY, STATE, ZIP:

RECIPIENT BANK NAME: JPMorganChase

BANK STREET ADDRESS: 1411 AVE OF THE AMERICAS

CITY, STATE, ZIP: New York, NY 10041

ACCOUNT NUMBER: 020830391

ABA NUMBER: 021000021

REQUESTED BY: Stuart [signature]

TOTAL WIRE TRANSFER AMOUNT: $ 15,000,000.00

PAYMENT DESCRIPTION:

Required: Company/ExpenseAcct/Cost Center/Misc/Project

G/L Dist: 316 - 302044 9/22 per Juan $ Amount $ 15,000,000.00

G/L Dist: $ Amount

G/L Dist: Total Amount $ 15,000,000.00

NOTE: Wire Transfer Amounts less than $100,000.01 do not require an authorized signature (below)
Amounts between $ 100, 000.01 and $500, 000 require one A or B Group Signer
Amounts over $500, 000 require one signer from each group
Amounts over $1,000,000.01 , one of the signers must be an EVP
(EVP): John Stewart, Ed Mahony, David Long, James Dolan

Group A Signer: [signature]
Eric Boetrus, Diana Lenkowsky, David Long, Jim Lowne, Edward Mahony, Larry Pickett, Jr., Richard Silbert, Phil Strassburger

Group B Signer: [signature]
Robin Abrams, James Dolan, John Stewart, Russell Gasdia, Robert Kaiko, William Mallin, Bert Weinstein

TREASURY USE ONLY

Created By: JAL 21 Sep

Approved By:

Released By: JAL

Repetitive Name:

SCG STAMP

ACCOUNTS PAYABLE REVIEW INVOICE PROCESSED BY: ALISA ADAMS

[redacted]

It was recommended that Purdue Pharma L.P. ("PPLP") distribute $241,191,265 on or before September 15, 2010 as the 3Q 2010 distribution as follows:

1. PPLP will distribute $241,191,265 to Purdue Holdings L.P. ("PHLP");
2. PHLP will then distribute $241,191,265 as follows:

Company	Amount	
Purdue Pharma Inc.	$596,948	0.2475%
PLP Associates Holdings Inc.	594,317	0.2464%
PLP Associates Holdings L.P.	240,000,000	99.5061%
TOTAL	$241,191,265	100.0000%

3. PLP Associates Holdings L.P. will thereafter distribute $240,000,000 to BR Holdings Associates L.P.; and
4. BR Holdings Associates L.P. will then distribute $240,000,000 as follows:

Company	Amount
Beacon Company	$120,000,000
Rosebay Medical Company L.P.	120,000,000
TOTAL	$240,000,000

[redacted]

1. Millsaw Realty LP will distribute $30 million as follows:

Company	Amount
Beacon Company	$15,000,000
Rosebay Medical Company L.P.	15,000,000
TOTAL	$30,000,000

[signature] John Stewart

2. PPLP will distribute $211,042,357 to Purdue Holdings L.P. ("PHLP");
3. PHLP will then distribute $211,042,357 as follows:

Company	Amount	
Purdue Pharma Inc.	$522,330	0.2475%
PLP Associates Holdings Inc.	520,027	0.2464%
PLP Associates Holdings L.P.	210,000,000	99.5061%
TOTAL	$211,042,357	100.0000%

4. PLP Associates Holdings L.P. will thereafter distribute $210,000,000 to BR Holdings Associates L.P.; and
5. BR Holdings Associates L.P. will then distribute $210,000,000 as follows:

Company	Amount
Beacon Company	$105,000,000
Rosebay Medical Company L.P.	105,000,000
TOTAL	$210,000,000

Source: Millsaw Realty L.P. Board of Directors Minutes Decision, September 17, 2010. Materials received from Purdue.

PPLP Transferred the Equity Interest at the Book Value of $7.4MM

The 2009 audited financial statements show that PPLP transferred the equity interest with a book value of $7.4MM. This is recognized as the difference of balance sheet retained earnings and cash/cash equivalents per PPLP.

3. Changes in Ownership

On January 1, 2009, PPLP distr… "Millsaw") to PPLP's limited partner. Concurrent with … r, Millsaw Realty Inc., was released from its obligations … nd was removed from the Companies' combined financ…

The Companies' Combined Statement of Equity

	Common Stock	Additional Paid-in Capital	Common Stock Subscription Receivable	Partners' Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
				(In thousands)			
Balance at December 31, 2007	$7	$1,887	$(999)	$ 796,764	$ 9,016	$(6,547)	$ 800,128
Net income	–	–	–	1,350,429	1,561	–	1,351,990
Other comprehensive income:							
Employee benefit plans, net of tax benefit of $2,002	–	–	–	–	–	(64,495)	(64,495)
Currency translation adjustment	–	–	–	–	–	1,598	1,598
Total comprehensive income							1,289,093
Investment contribution:							
Lucien Holdings S.ar.l.	–	–	–	(41,216)	–	(139)	(41,355)
Investment distributions:							
Coventry Technologies L.P.	–	–	–	(51,218)	(283)	(822)	(52,323)
Infinity Pharmaceuticals Inc.	–	–	–	(21,160)	–	–	(21,160)
Partners' capital distributions:							
Pharma Associates L.P.	–	–	–	(20)	–	–	(20)
Norwell Land Company	–	–	–	(801)	–	–	(801)
Purdue Pharma L.P.	–	–	–	(1,292,323)	–	–	(1,292,323)
Balance at December 31, 2008	$7	$1,887	$(999)	$740,455	$10,294	$(70,405)	$ 681,239
Deconsolidation of Purdue Pharma Inc.	(1)	(499)	–	–	(573)	–	(1,073)
Deconsolidation of Millsaw Realty Inc.	(1)	–	–	–	(14)	–	(15)
Net income	–	–	–	1,576,714	4,756	–	1,581,470
Other comprehensive income:							
Employee benefit plans, net of tax of $227	–	–	–	–	–	(9,525)	(9,525)
Currency translation adjustment	–	–	–	–	–	3,005	3,005
Total comprehensive income							1,574,950
Investment distributions:							
Millsaw Realty L.P.	–	–	–	(7,412)	–	–	(7,412)

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), pages 51, 333; 2009 Purdue Pharma LP and Associated Companies Notes to Combined Financial Statements, December 31, 2009, 4, 12.

Transfers of Equity For No Consideration

Related Party: Lucien (4F)

Estimated Value of PPLP's Equity in Lucien to PRA L.P. is $199MM

On April 30, 2010, PPLP and PRA L.P. entered into an Assignment and Assumption Agreement, pursuant to which PPLP distributed its 100% equity interest in Lucien Holdings ("Lucien") with a book value of negative $0.5MM to PRA L.P. for no consideration.

Lucien owns various Mundipharma entities and is a limited partner in eight European start-up companies that develop, manufacture, and sell pharmaceutical products. Lucien was transferred to PPLP on January 1, 2008 and received $159MM in investments directly from PPLP from 2008 to 2010. These investments were recognized as equity losses and were not separately recorded as part of Lucien's book value. During that time, PPLP also made debt repayments on Lucien's behalf of $41MM prior to its transfer back to PRA L.P. Based on the information available to me, the value of Lucien's equity transferred from PPLP to PRA L.P. is estimated to be $199MM.

As of January 2018, Lucien was still a part of PRA L.P.

Lucien is a Limited Partner in Eight Start-Up Companies in Europe

Lucien is a limited partner in eight European start-up companies that develop, manufacture, and sell pharmaceutical products. The eight start-up companies are located in: France, Belgium, Italy, Netherlands, Norway, Finland, Spain, and Portugal.

On January 1, 2008, Lucien's net consolidated assets was negative $41.2MM, consisting of:

- Unsecured associated company notes payable
  - $15.7MM (at an interest rate of 4.5%, maturing Nov. 2009);
  - $26.1MM (at an interest rate of 8%, maturing in Nov. 2010)
- Cash of $0.6MM

As of January 2018, Lucien was a part of PRA L.P.

Source: PPLP Audited Statement 2010, 29; Purdue - Corporate Structure Charts [Draft - 1.25.2018], 4.

Lucien was Transferred to PPLP on Jan. 1, 2008 and Then Transferred to PRA L.P. on April 30, 2010

On January 1, 2008, the limited partner of PPLP contributed to PPLP its 100% ownership of Lucien. As a result of this contribution, the Companies have consolidated the accounts of Lucien into the combined financial statements. The January 1, 2008 consolidated net assets of Lucien consisted primarily of unsecured associated company notes payable of $15.7 million maturing on November 5, 2009 with an interest rate of 4.50% and $26.1 million maturing on November 1, 2010 with an interest rate of 8.00% and cash of $0.6 million. Each of the notes were repaid during 2009.

Lucien is a limited partner in eight start-up companies each with operations in France, Belgium, Italy, Netherlands, Norway, Finland, Spain and Portugal (the "Start-ups"). During the years ended December 31, 2010 and 2009, PPLP invested $8.3 million and $86.9 million, respectively, in the Start-ups. The Start-ups develop, manufacture and sell pharmaceutical products, which are marketed primarily to the medical and health care industries in their respective countries. The Start-up investments are accounted for in accordance with the equity method of accounting. During the years ended December 31, 2010 and 2009, PPLP recognized equity losses of $8.3 million and $86.9 million, respectively, as a result of Lucien's investments in the Start-ups. On April 1, 2010, the partners of PPLP authorized the distribution of PPLP's ownership in Lucien to its limited partner with an effective date of April 30, 2010.

Source: PPLP Audited Statement 2010, 29.

Assignment and Assumption Agreement: Lucien

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "Agreement") effective April 30, 2010 (the "Assignment Date") by and between Purdue Pharma L.P., a Delaware limited partnership ("Assignor"), and Purdue Holdings L.P., a Delaware limited partnership ("Assignee");

W I T N E S S E T H :

WHEREAS, Assignor has distributed 100% of Assignor's interest in Lucien Holdings S.ar.l. ("Lucien"), a Luxembourg company (the "Lucien Interest") held by the Assignor to Assignee; and

WHEREAS, Assignor has distributed 100% of Assignor's interest in New Suffolk Holdings LLP, a Delaware limited liability partnership (the "New Suffolk Interest") held by the Assignor to Assignee; and

WHEREAS, Assignor has distributed 100% of Assignor's interest in RSJ Company L.P., a Delaware limited partnership (the "RSJ Interest") held by the Assignor to Assignee; and

WHEREAS, Assignor has distributed 100% of Assignor's interest in the debt obligations owed to Assignor by Lucien and Lucien's wholly-owned subsidiaries (the "Lucien Debt Obligations") held by the Assignor to Assignee; and

WHEREAS, in connection with the foregoing contribution, Assignor desires to assign and Assignee desires to assume the Lucien Interest, the New Suffolk Interest, the RSJ Interest and the Lucien Debt Obligations (collectively the "Interests") upon the terms and conditions set forth herein;

Source: Assignment and Assumption Agreement, April 30, 2010.

PPLP Paid Lucien's Notes Payable in 2009

In 2009, PPLP repaid $41.8MM in Lucien's outstanding unsecured associated company notes payable. These included $15.7MM notes payable maturing on November 5 2009 and $26.1MM maturing on November 1, 2010.

On January 1, 2008, the limited partner of PPLP contributed to PPLP its 100% ownership of Lucien. As a result of this contribution, the Companies have consolidated the accounts of Lucien into the combined financial statements. The January 1, 2008 consolidated net assets of Lucien consisted primarily of unsecured associated company notes payable of $15.7 million maturing on November 5, 2009 with an interest rate of 4.50% and $26.1 million maturing on November 1, 2010 with an interest rate of 8.00% and cash of $0.6 million. Each of the notes were repaid during 2009.

As a result of the debt repayments, Lucien's book value improved by $40.674MM between January 1, 2008 and April 30, 2010.

- Book value at the time of transfer to PPLP in 2008: -$41MM
- Book value at the time of transfer to PRA L.P. in 2010: -$0.5MM

Source: PPLP Audited Statement 2009, 4; PPLP Audited Statement 2010, 4, 29; PPLP Audited Statement 2008, 4.

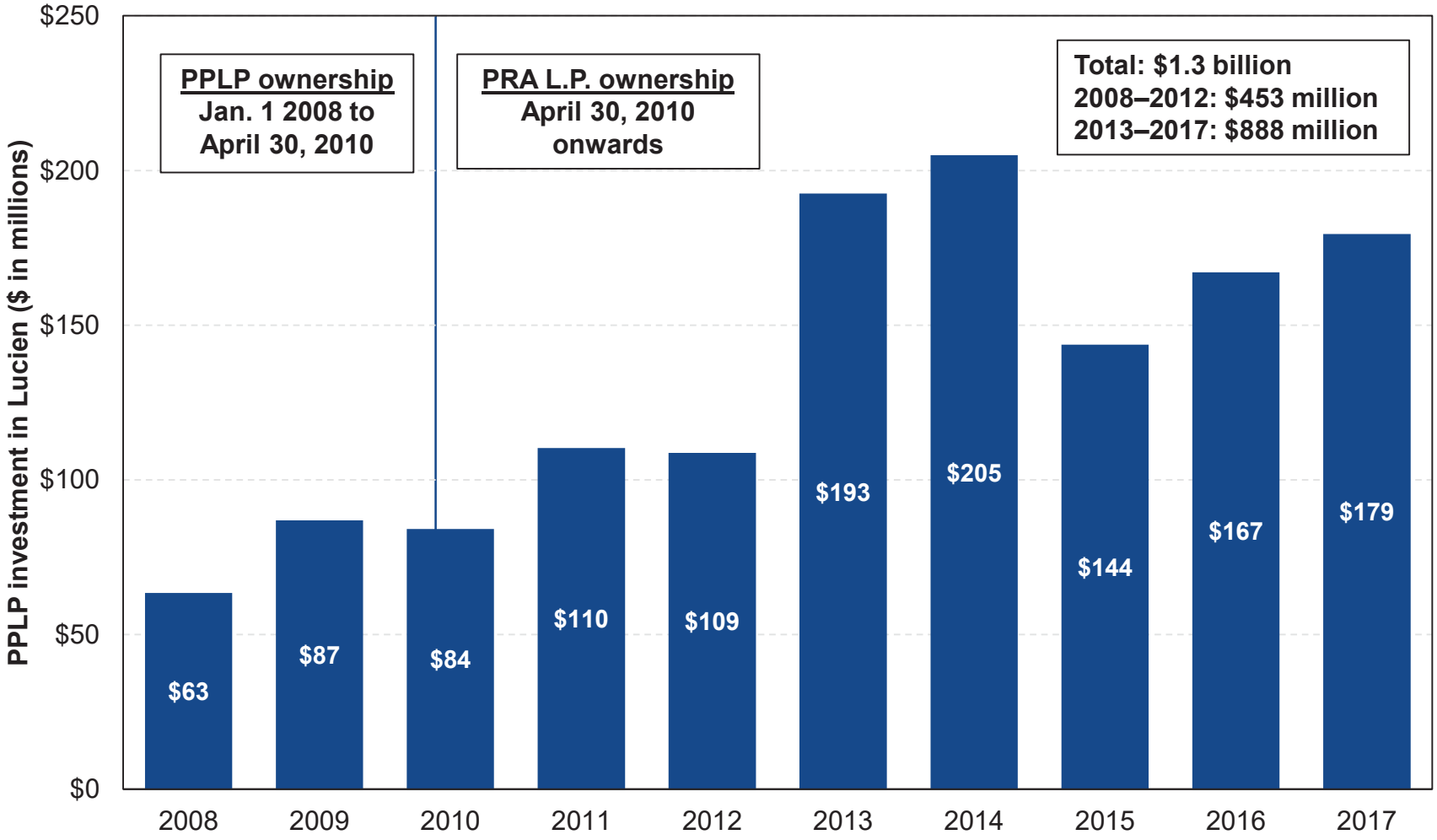
Lucien Received Direct and Indirect Funding From PPLP

It is our understanding that ex-U.S. funding payments flow from PPLP to PRA L.P., which provides funding to various IACs. Lucien received investments directly from PPLP during the ownership time period (i.e., from January 1, 2008 to April 30, 2010.)

After PPLP's ownership period, Lucien received investments indirectly from PPLP that we understand are already captured in the cash transfers summary.

Source: Purdue Pharma Distributions (Distributions 2008 - 2017.xlsx); AlixPartners, Cash Transfers of Value Analysis, December 16, 2019, page 329-331.

Direct and Indirect Investments Received by Lucien During 2008–2017



Source: Distributions 2008-2017 Actuals.xlsx, tab "Detail." See also PPINV0018537125 at 73.

PPLP's Investments in Lucien During Its Ownership Period From 2008–2010 were $158.6MM

In 2008, PPLP invested $63.4MM in Lucien.

> Lucien is a limited partner in eight start-up companies each with operations in France, Belgium, Italy, Netherlands, Norway, Finland, Spain and Portugal (the "Start-ups"). During 2008, PPLP invested $63.4 million in the Start-ups. The Start-ups develop, manufacture and sell pharmaceutical products, which are marketed primarily to the medical and health care industries in their respective countries. The Start-up investments are accounted for in accordance with the equity method of accounting. During 2008, PPLP recognized equity losses of $63.4 million as a result of Lucien's investments in the Start-ups. In 2009, PPLP made additional investments in the Start-ups of $25.4 million and has committed to additional funding in 2009 up to $40.0 million.

PPLP invested $86.9MM in 2009, and $8.3MM in 2010, before the transfer to PRA L.P.

> Lucien is a limited partner in eight start-up companies each with operations in France, Belgium, Italy, Netherlands, Norway, Finland, Spain and Portugal (the "Start-ups"). During the years ended December 31, 2010 and 2009, PPLP invested $8.3 million and $86.9 million, respectively, in the Start-ups. The Start-ups develop, manufacture and sell pharmaceutical products, which are marketed primarily to the medical and health care industries in their respective countries. The Start-up investments are accounted for in accordance with the equity method of accounting. During the years ended December 31, 2010 and 2009, PPLP recognized equity losses of $8.3 million and $86.9 million, respectively, as a result of Lucien's investments in the Start-ups. On April 1, 2010, the partners of PPLP authorized the distribution of PPLP's ownership in Lucien to its limited partner with an effective date of April 30, 2010.

These PPLP investments of $158.6MM were recognized as equity losses and are not captured in the book value at the time of the transfer. As a result, they are added to the estimated transfer of value.

Source: PPLP Audited Statement 2008, 28; PPLP Audited Statement 2010. AlixPartners, Cash Transfers of Value Analysis, December 16, 2019, page 35.
Note: Assume these investments are not captured in the cash distributions to the partners as Lucien was part of PPLP during this time period.

PPLP's Transfer Of Equity Interest in Lucien to PRA L.P.

Source: PPLP Audited Statement 2008, 28; PPLP Audited Statement 2009, 4; PPLP Audited Statement 2010, 4, 29.
Note: Lucien was transferred into PPLP on Jan. 1, 2008 at a book value of -$41.2MM and transferred to PRA L.P. on April 30, 2010 at a book value of -$0.5MM (a difference of $40.7MM). PPLP made investments of $158.6MM during 2008–2010.

Transfers of Equity For No Consideration

Related Party: RSJ Company L.P. (“RSJ”)

Transfer of Equity Interest in RSJ Company L.P. From PPLP to PRA L.P

On April 1, 2010, the partners of PPLP authorized the distribution of 100% of PPLP's ownership in RSJ Company L.P. ("RSJ") to its limited partner PRA L.P., with an effective date of April 30, 2010.

This transfer occurred at a book value of $0 and is not broken out separately from the other equity transfers in the 1B Report. Based on the information available to me, the estimated value of this transfer is zero based on the equity value (i.e., Partners' capital) recorded by PPLP at the time of transfer.

Transfer From Purdue to PRA L.P. of Equity Interest in RSJ Company L.P.

On January 1, 2008, the limited partner of PPLP contributed to PPLP its 90% ownership of RSJ Company L.P. ("RSJ").

RSJ is a silent partner in Mundipharma TK (the "TK"). TK develops, manufactures and sells pharmaceutical products, which are marketed to the medical and health care industries in Japan.

On April 1, 2010, the partners of PPLP authorized the distribution of 100% of PPLP's ownership in RSJ to PRA L.P., with an effective date of April 30, 2010.

Source: PPLP Audited Statement 2010, 29. AlixPartners, Cash Transfers of Value Analysis, December 16, 2019, page 329-330.

RSJ Transfer to PPLP in 2008 and to PRA L.P. in 2010

On January 1, 2008, the limited partner of PPLP contributed to PPLP its 90% ownership of RSJ. RSJ is a silent partner in Mundipharma TK (the "TK"). The TK develops, manufactures and sells pharmaceutical products, which are marketed to the medical and health care industries in Japan. During the years ended December 31, 2010 and 2009, RSJ invested $4.9 million and $11.9 million, respectively, in the TK. The TK investments are accounted for in accordance with the equity method of accounting. During the years ended December 31, 2010 and 2009, RSJ recognized equity losses of $4.9 million and $11.9 million, respectively, as a result of RSJ's investments in the TK. On April 1, 2010, the partners of PPLP authorized the distribution of 100% of PPLP's ownership in RSJ to its limited partner with an effective date of April 30, 2010.

Source: PPLP Audited Statement 2010, 29.

Assignment and Assumption Agreement: RSJ

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "Agreement") effective April 30, 2010 (the "Assignment Date") by and between Purdue Pharma L.P., a Delaware limited partnership ("Assignor"), and Purdue Holdings L.P., a Delaware limited partnership ("Assignee");

W I T N E S S E T H :

WHEREAS, Assignor has distributed 100% of Assignor's interest in Lucien Holdings S.ar.l. ("Lucien"), a Luxembourg company (the "Lucien Interest") held by the Assignor to Assignee; and

WHEREAS, Assignor has distributed 100% of Assignor's interest in New Suffolk Holdings LLP, a Delaware limited liability partnership (the "New Suffolk Interest") held by the Assignor to Assignee; and

WHEREAS, Assignor has distributed 100% of Assignor's interest in RSJ Company L.P., a Delaware limited partnership (the "RSJ Interest") held by the Assignor to Assignee; and

WHEREAS, Assignor has distributed 100% of Assignor's interest in the debt obligations owed to Assignor by Lucien and Lucien's wholly-owned subsidiaries (the "Lucien Debt Obligations") held by the Assignor to Assignee; and

WHEREAS, in connection with the foregoing contribution, Assignor desires to assign and Assignee desires to assume the Lucien Interest, the New Suffolk Interest, the RSJ Interest and the Lucien Debt Obligations (collectively the "Interests") upon the terms and conditions set forth herein;

Source: Assignment and Assumption Agreement, April 30, 2010.

Net Book Value of RSJ on Transfer Date (April 30, 2010) Was Zero

Purdue Combined					
RSJ Company LP					
4/30/2010					
Background:					
Due to the immateriality of other activity on the books of RSJ, Purdue did not fully consolidate RSJ in 2009 and prior. Rather, Purdue merely accounted for the cash investment made in Japan via a "topside entry" rather than a full consolidation of RSJ.					
	12/31/2008	**2009 Activity**	**12/31/2009**	**2010 Activity**	**4/30/2010**
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -
Investment in Japan	-	-	-	-	-
Due from (to) associated companies	-	-	-	-	-
Partners' capital	-	-	-	-	-
	-	-	-	-	-
Partners' capital - Beginning of period	$ -		$ -		$ -
Capital contributions	-		(11,858)		(4,900)
P&L	-		11,858		4,900
Partners' capital - End of period	$ -		$ -		$ -

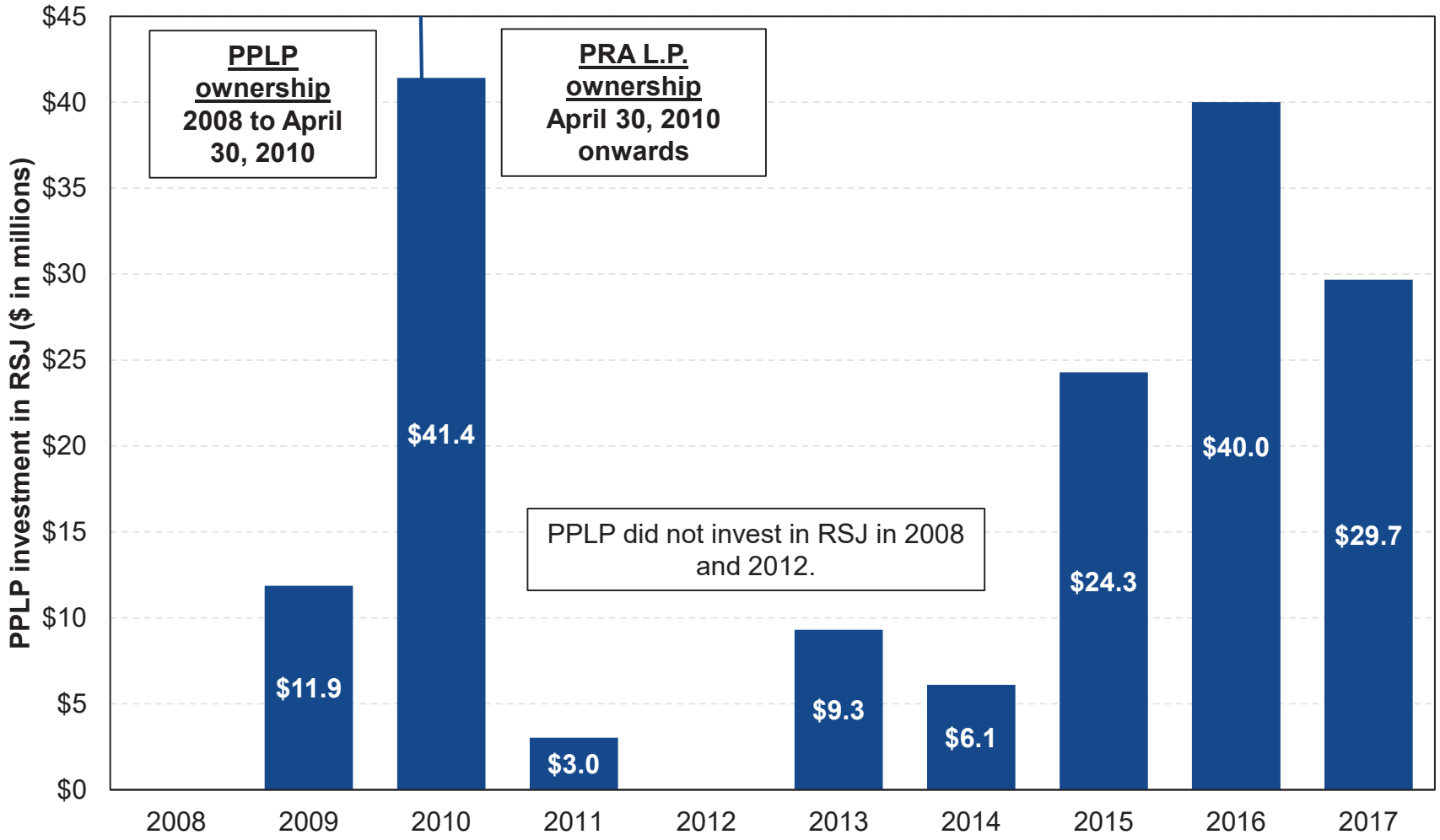
Source: Change in Ownership.xlsx, tab “RSJ Company.”

RSJ Invested $17MM in its Silent Partner (TK) in 2009 and 2010, Which Can be Considered a Transfer of Value

On January 1, 2008, the limited partner of PPLP contributed to PPLP its 90% ownership of RSJ. RSJ is a silent partner in Mundipharma TK (the "TK"). The TK develops, manufactures and sells pharmaceutical products, which are marketed to the medical and health care industries in Japan. During the years ended December 31, 2010 and 2009, RSJ invested $4.9 million and $11.9 million, respectively, in the TK. The TK investments are accounted for in accordance with the equity method of accounting. During the years ended December 31, 2010 and 2009, RSJ recognized equity losses of $4.9 million and $11.9 million, respectively, as a result of RSJ's investments in the TK. On April 1, 2010, the partners of PPLP authorized the distribution of 100% of PPLP's ownership in RSJ to its limited partner with an effective date of April 30, 2010.

Source: PPLP Audited Statement 2010, 29.

Direct and Indirect Investments Received by RSJ During 2008–2017



Source: Purdue Pharma Distributions (Distributions 2008 - 2017.xlsx), tab “Detail”.

Other: R&D

PPLP Payments to Mundipharma EDO GmbH (“EDO”) for R&D Services (1I)

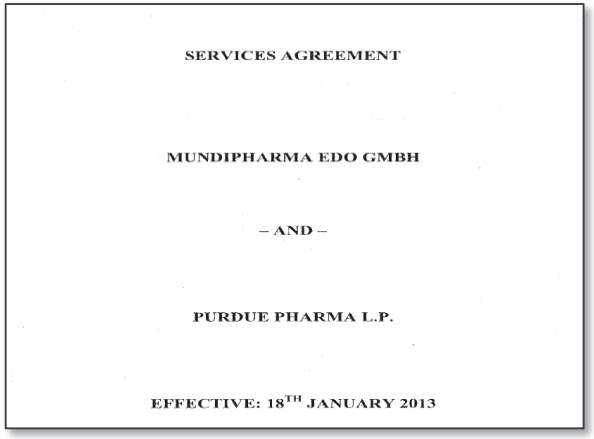
PPLP Payments to Mundipharma EDO GmbH ("EDO") for R&D Services

PPLP entered into a research services agreement with Mundipharma EDO GmbH ("EDO") effective January 18, 2013. This agreement was for services, such as identifying new oncology business opportunities, valuing potential acquisitions, project management and planning, and working on initiatives to lower manufacturing costs. PPLP paid cost plus a 10% markup for these services, totaling $31.5MM from 2013 to September 15, 2019. This agreement was terminated effective August 15, 2019.

It is our understanding that PPLP will hold the U.S. rights to acquired assets identified through its agreement with EDO. If this is the case, the 10% markup is consistent with comparable arm's-length arrangements. Should PPLP not hold the U.S. rights to the pipeline assets, the related party transactions between PPLP and EDO would not be consistent with arm's-length dealings, and there would have been a transfer of value from PPLP to EDO.

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 30, 143–152; Services Agreement between Mundipharma EDO GmbH and PPLP, Effective January 18, 2013, 1, 12; May 17, 2019 Letter from [redacted] (Senior Vice President, Chief Financial Officer) to Mundipharma EDO GmbH regarding Services Agreement, dated June 21, 2013.

PPLP's Research Services Agreement with EDO, Effective January 2013 to August 2019



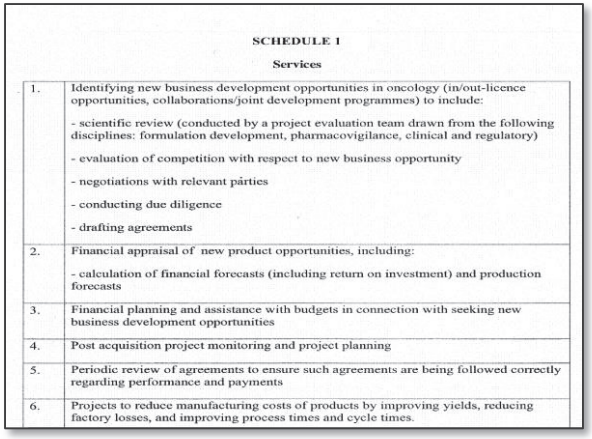
SERVICES AGREEMENT

MUNDIPHARMA EDO GMBH

– AND –

PURDUE PHARMA L.P.

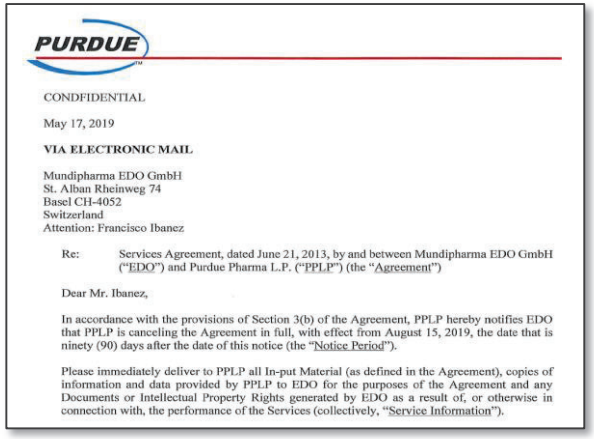
EFFECTIVE: 18TH JANUARY 2013



SCHEDULE 1

Services

1.	Identifying new business development opportunities in oncology (in/out-licence opportunities, collaborations/joint development programmes) to include: - scientific review (conducted by a project evaluation team drawn from the following disciplines: formulation development, pharmacovigilance, clinical and regulatory) - evaluation of competition with respect to new business opportunity - negotiations with relevant parties - conducting due diligence - drafting agreements
2.	Financial appraisal of new product opportunities, including: - calculation of financial forecasts (including return on investment) and production forecasts
3.	Financial planning and assistance with budgets in connection with seeking new business development opportunities
4.	Post acquisition project monitoring and project planning
5.	Periodic review of agreements to ensure such agreements are being followed correctly regarding performance and payments
6.	Projects to reduce manufacturing costs of products by improving yields, reducing factory losses, and improving process times and cycle times.



PURDUE

CONDFIDENTIAL

May 17, 2019

VIA ELECTRONIC MAIL

Mundipharma EDO GmbH
St. Alban Rheinweg 74
Basel CH-4052
Switzerland
Attention: Francisco Ibanez

Re: Services Agreement, dated June 21, 2013, by and between Mundipharma EDO GmbH ("EDO") and Purdue Pharma L.P. ("PPLP") (the "Agreement")

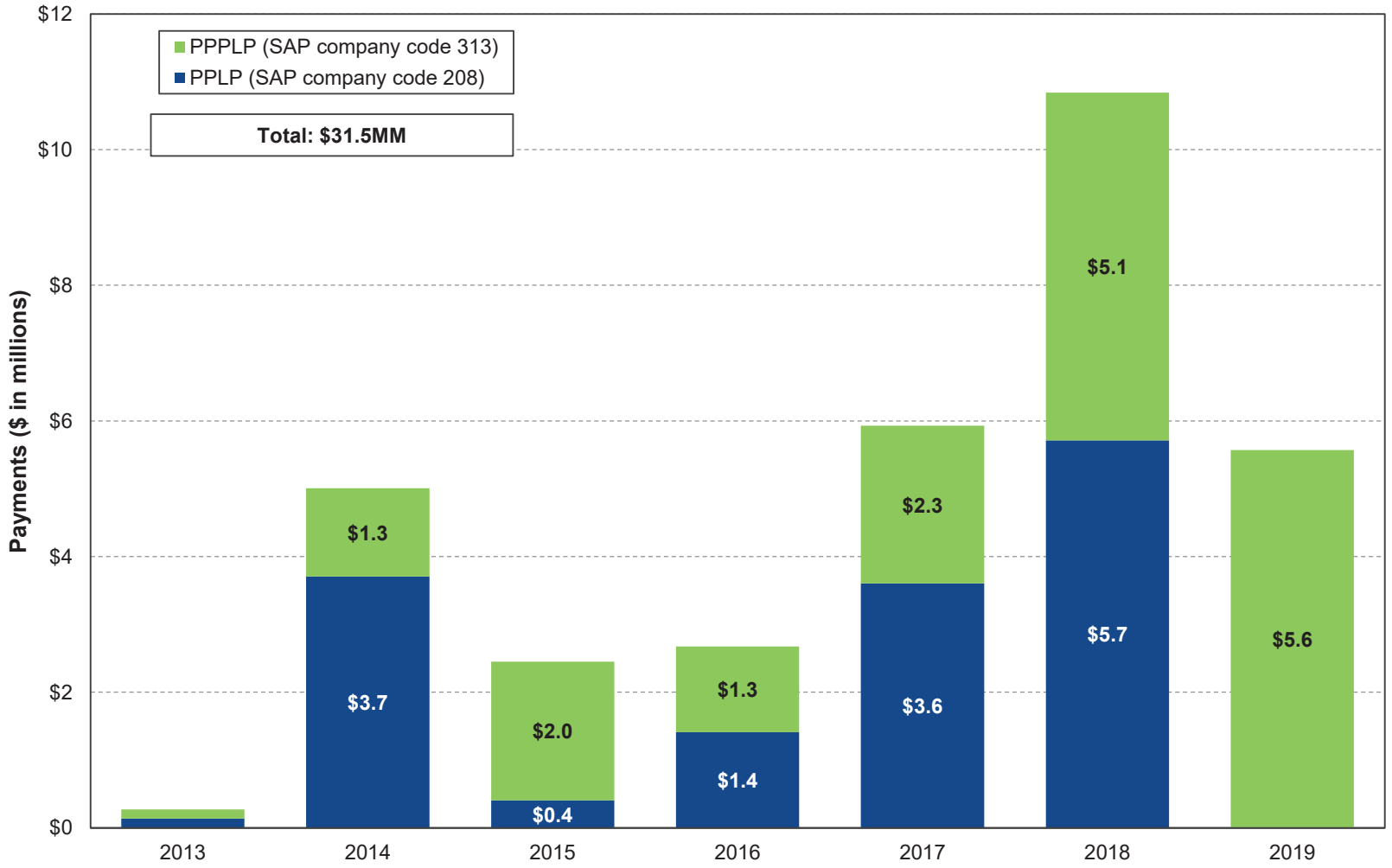
Dear Mr. Ibanez,

In accordance with the provisions of Section 3(b) of the Agreement, PPLP hereby notifies EDO that PPLP is canceling the Agreement in full, with effect from August 15, 2019, the date that is ninety (90) days after the date of this notice (the "Notice Period").

Please immediately deliver to PPLP all In-put Material (as defined in the Agreement), copies of information and data provided by PPLP to EDO for the purposes of the Agreement and any Documents or Intellectual Property Rights generated by EDO as a result of, or otherwise in connection with, the performance of the Services (collectively, "Service Information").

Source: Services Agreement between Mundipharma EDO GmbH and PPLP, Effective January 18, 2013, 1, 12. May 17, 2019 Letter from [redacted] (Senior Vice President, Chief Financial Officer) to Mundipharma EDO GmbH regarding Services Agreement, dated June 21, 2013.

Net Payments Made to EDO by PPLP and 3XP ("PPPLP"): $31.5MM



Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020) 30, 145.
Note: Total amount funded to Mundipharma EDO GmbH by PPLP was $14.97MM and 3XP was $17.77MM. Imbrium (SAP company code 256) recognized the vendor payments related to R&D services from PPLP to Mundipharma EDO GmbH (vendor ID 1032927) as $1.23MM.

EDO's Role

EDO acted as a Contract Research Organization ("CRO") for PPLP and Mundipharma in the area of oncology. Our understanding is that EDO employed staff with expertise in the area of oncology and that it has been managing several oncology assets on behalf of PPLP. This includes overseeing or conducting the R&D related to early stage clinical trials, developing formulations, and conducting non-clinical studies.

PPLP's role is primarily as a funder:

- PPLP paid 40% of the R&D budget of the four pipeline assets
- PPLP funded R&D, assuming that PPLP would have the U.S. rights to the four assets being developed by EDO

Source: MundiPharma Research "Oncology," accessed May 19, 2020 *available at* https://www.mundipharmaresearch.com/oncology/#edo_ref; MundiPharma Research "Oncology," accessed May 19, 2020, *available at* https://www.mundipharma.com/our-medicines/oncology/. Discussion with Purdue employees.

It is Our Understanding That the EDO Assets Were Acquired by Mundipharma From Third Parties

As per your request and further to my previous email, please find below a list of the global (ex-U.S.) deals that Mundipharma has completed since 2012, which are as follows:

1. Northlake Biosciences (NL-101 (bendamustine and other nitrogen mustard compounds), for the treatment of multiple myeloma)
2. Light Sciences Oncology, Inc. (taporfin sodium, for the treatment of solid tumor cancers and BPH)

DECISION

February 2, 2017

CellAct CAP 7.1 Topoisomerase II Inhibitor for Biliary Tract Cancer (Project Coleman)

Subject to review by the Tax Advisors, it is recommended that Purdue Pharma L.P. ("PPLP") for the United States and Mundipharma International Corporation Limited (Bermuda) ("MICL") or Mundipharma Medical Company (Bermuda) ("MMCO") for the rest of the world enter into asset acquisition agreements with CellAct Pharma GmbH, a privately-owned German company ("CellAct"), with respect to CellAct's CAP7.1 product, a novel cytotoxic agent for the treatment of solid tumors, on terms and conditions at least as favorable to Mundipharma as follows:

1. Product. CAP 7.1, a topoisomerase II inhibitor and a pro-drug of etoposide indicated for biliary tract cancer (first indication) with potential follow-on indications in gastric carcinoma and CES (Carboxylesterase 2) positive SCLC (small cell lung cancer);

2. Structure. PPLP, MICL and MMCO will acquire all assets and licenses of CellAct related to CAP7.1. PPLP and MICL or MMCO will split the assets;

NL-101 (or EDO-S101) refers to Tinostamustine (“Tino”)

CAP 7.1 (or EDO-S7.1) refers to Etoposide Toniribate (“Toni”)

Source: PPLP004417653 at -675; PPINV0012199096 at -096.

Four Pipeline Assets

- CAP7.1: Also known as EDO-S7.1 and Etoposide Toniribate
  - Agreement for acquisition by PPLP from [redacted] was effective July 25, 2017
    - Asset is for the treatment of biliary cancer and was at most at stage II of development.
  - Total upfront payment to [redacted]: €17MM or $20MM
    - PPLP payments: €6.7MM or $7.9MM
    - Mundipharma International Corporation Limited (Bermuda) ("MICL") or Mundipharma Medical Company (Bermuda) ("MMCO") payments: €10.3MM or $12.1MM
  - Current status: No further development planned at the moment.
- NL-101: Also known as EDO-S101 and Tinostamustine
  - Agreement for acquisition by Mundipharma from Northlake was effective November 21, 2012.
    - Asset is used in cancer chemotherapy and was at most at stage II of development
  - 3XP paid Northlake a fee of $900K for NL-101 ($675K) and other compounds ($225K)
  - Current status: On clinical hold by FDA in the U.S. No clinical hold in the E.U.
- EDO-B278 (de-prioritized)
- EDO-B776 (de-prioritized)

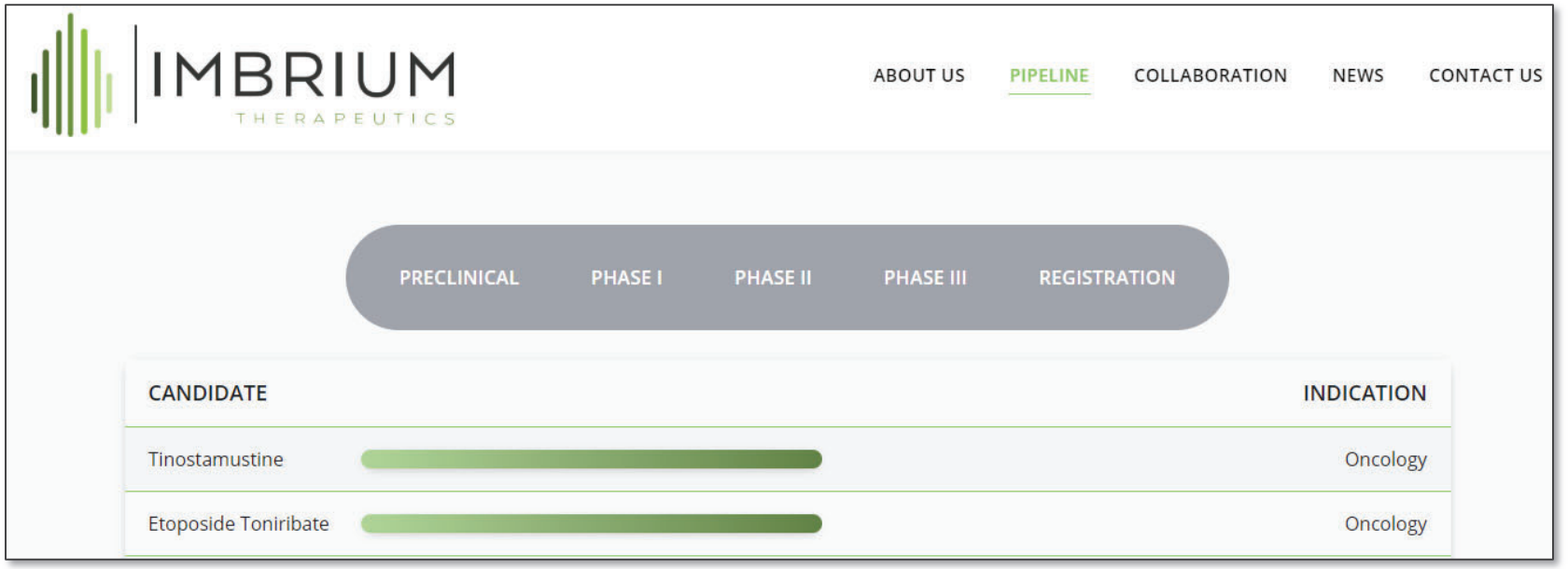
Source: PPLPUCC003772641; Board Decision, Feb. 2, 2017 (PPLP004417653 at 675–676); Asset Purchase Agreement between [redacted] Pharma GmbH and PPLP (July 29, 2017), page 21; Asset Purchase Agreement between [redacted] Pharma GmbH and Mundipharma International Corporation Limited (July 29, 2017), page 20; Currency conversion rates based upon Euro to USD exchange rate on July 28, 2017, 1 EUR = 1.1754 USD (according to Federal Reserve Economic Data).

Total Payments and PPLP's Share

Entity	Amount (€)	Amount ($)	Share of Total
PPLP	€ 6,698,000	$7,872,829	39.4%
Mundipharma International Corporation Limited (Bermuda) ("MICL") or Mundipharma Medical Company (Bermuda) ("MMCO")	€ 10,302,000	$12,108,971	60.6%
Total	**€ 17,000,000**	**$19,981,800**	

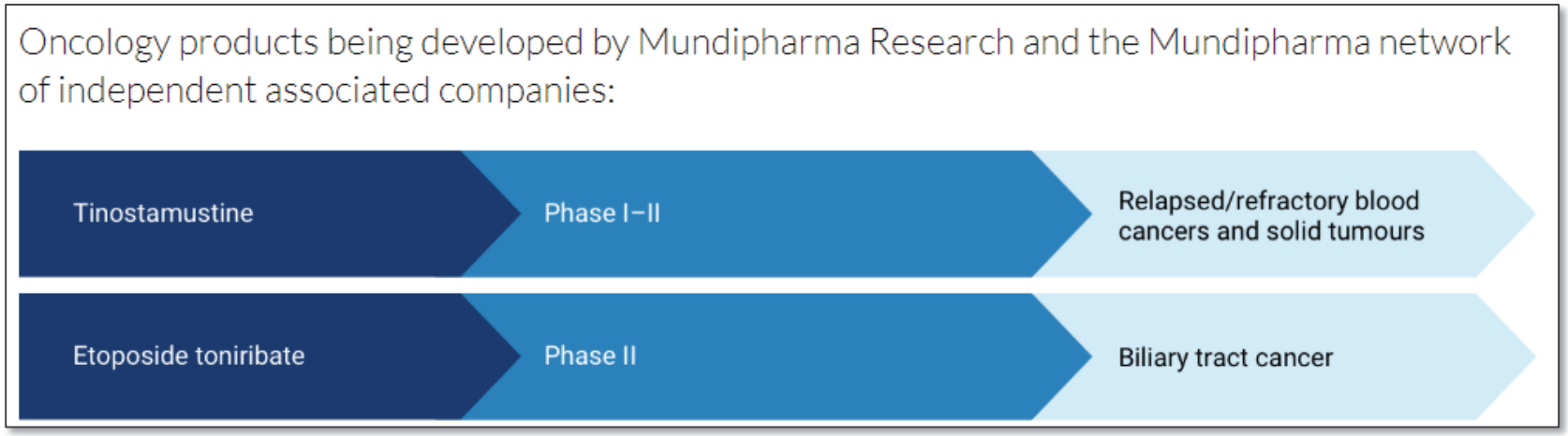
Source: Board Decision, Feb. 2, 2017 (PPLP004417653 at 675–676); Asset Purchase Agreement between [redacted] Pharma GmbH and PPLP (July 29, 2017), page 21; Asset Purchase Agreement between [redacted] Pharma GmbH and Mundipharma International Corporation Limited (July 29, 2017), page 20; Currency conversion rates based upon Euro to USD exchange rate on July 28, 2017, 1 EUR = 1.1754 USD (according to Federal Reserve Economic Data).

Imbrium Therapeutics (a PPLP Operating Subsidiary) Lists Tino and Toni as its Oncology Assets



Source: Imbrium Therapeutics, "Imbrium Therapeutics Pipeline," accessed May 5, 2020, https://www.imbriumthera.com/pipeline/.

Mundipharma Research Also Lists Tino and Toni as its Oncology Assets



Source: Mundipharma Research, "Oncology," accessed May 5, 2020, https://www.mundipharmaresearch.com/oncology/.
Note: Since January 1, 2020, the Mundipharma Early Development in Oncology development program has been run by Mundipharma Research.

In June 2019, PPLP's Expected Net Present Value (eNPV) for S101 (Tino) was $18MM

S101 - eNPV

$MM			2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
Staged Weighting			100%	100%	100%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13% PTRS
Total Net Sales			0.0	0.0	0.0	0.0	0.0	0.0	0.9	6.7	13.8	20.5	25.7	29.1	30.1	31.2	32.3	33.4	34.6	0.0	0.0	34.6
Costs of goods sold	7%	$ MM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	1.1	1.7	2.1	2.4	2.5	2.6	2.7	2.8	2.9	0.0	0.0	
Inventory write-off	0%	$ MM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Shipping and warehousing	1%	$ MM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.5	0.0	0.0	
Royalty		$ MM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.3	0.4	0.5	0.5	0.6	0.6	0.6	0.7	0.0	0.0	
% royalty									*1.0%*	*1.0%*	*1.0%*	*1.4%*	*1.5%*	*1.7%*	*1.8%*	*1.8%*	*1.9%*	*1.9%*	*2.0%*	*0.0%*	*0.0%*	-- Maintained as same % as old (IQVIA) model due to lack of visibility into how rates were derived (i..e., since not exactly aligned w terms)
Sales milestones (payable on sales targets)			0.0	0.0	0.0	0.0	0.0	0.0	0.7	1.0	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Cost of Sales - UPDATED			0.0	0.0	0.0	0.0	0.0	0.0	0.7	1.6	1.4	2.2	3.5	3.3	3.5	3.6	3.8	3.9	4.1	0.0	0.0	
Gross profit - UPDATED			0.0	0.0	0.0	0.0	0.0	0.0	0.2	5.0	12.4	18.3	22.3	25.8	26.7	27.6	28.5	29.5	30.5	0.0	0.0	
Total selling & marketing			0.0	1.3	1.4	0.2	0.2	0.5	3.0	4.2	4.6	5.0	5.3	5.3	4.9	4.4	4.0	3.3	2.9			
G&A			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.5	0.7	0.9	1.1	1.1	1.1	1.2	1.2	1.3			
HC Reform Fee			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.7	0.7	0.8	0.8	0.8	0.8			
R&D			0.0	9.5	9.2	3.8	1.8	1.5	1.1	1.1	0.9	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0			
MASR			0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.6	1.4	1.7	2.6	2.5	2.7	2.1	1.9	1.6	1.7			
Pre-approval milestone D&A			0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
OP EX - Updated			$0.0	$10.9	$10.7	$4.0	$2.0	$2.0	$4.2	$6.2	$7.7	$8.6	$10.2	$9.7	$9.4	$8.4	$7.8	$6.9	$6.7	$0.0	$0.0	
Operating Income - UPDATED		$ MM	0.0	(10.9)	(10.7)	(4.0)	(2.0)	(2.0)	(4.0)	(1.2)	4.7	9.7	12.1	16.1	17.3	19.2	20.7	22.6	23.9	0.0	0.0	
Taxes Updated			-	(3.8)	(3.8)	(1.4)	(0.7)	(0.7)	(1.4)	(0.4)	1.6	3.4	4.2	5.6	6.1	6.7	7.3	7.9	8.4	-	-	
Net income - UPDATED		$ MM	0.0	(7.1)	(7.0)	(2.6)	(1.3)	(1.3)	(2.6)	(0.8)	3.0	6.3	7.8	10.5	11.2	12.5	13.5	14.7	15.5	0.0	0.0	
Working Capital	8%	$ MM	(0.5)	(0.8)	(0.8)	(0.6)	(0.6)	(0.3)	(0.2)	0.0	0.8	2.7	4.1	4.8	5.1	5.5	5.7	5.7	4.8	1.4	1.0	
Discounted Cash Flows			2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
(=) Net Income	28%	$ MM	0.0	(7.1)	(7.0)	(2.6)	(1.3)	(1.3)	(2.6)	(0.8)	3.0	6.3	7.8	10.5	11.2	12.5	13.5	14.7	15.5	0.0	0.0	
(+/-) Change in NWC			0.0	1.2	(0.0)	0.1	(0.0)	0.0	0.4	0.6	0.8	0.6	0.5	0.1	0.0	(0.0)	0.0	(0.0)	0.1	0.0	0.0	
(-) Capitalized Milestones			(0.9)	0.0	(1.8)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
(+) Amortization of Milestones			0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
(-) Non-Capitalized Milestones	#NAME?	$ MM																				
(=) Free cash flow	28%	$ MM	(0.9)	(5.9)	(8.7)	(2.5)	(1.3)	(1.3)	(2.2)	(0.1)	3.9	6.9	8.4	10.6	11.3	12.5	13.5	14.7	15.6	0.0	0.0	
UPDATED discount rate				0.97	0.89	0.82	0.75	0.69	0.63	0.58	0.53	0.49	0.45	0.41	0.38	0.35	0.32	0.29	0.27	0.24	0.22	
Discount factor			0.92	0.84	0.77	0.71	0.65	0.60	0.55	0.50	0.46	0.42	0.39	0.36	0.33	0.30	0.27	0.25	0.23	0.21	0.19	
DCF	6%	$ MM	($2.3)	($3.2)	($3.3)	($2.2)	($1.9)	($1.2)	($0.8)	($0.1)	$0.6	$3.2	$5.1	$6.2	$6.3	$6.3	$6.1	$5.7	$4.7	$1.9	$0.9	

Original eNPV (incl. 2018)		$32.2	eNPV from 5.1.2019 UPDATE	$	16.0
TOTAL NPV	$	350.4			
TOTAL eNPV	$	18.0			

Source: Consolidated Long-Term Plan Model 2019–2027, "S101 – eNPV," June 2019, p. 19.

CROs: Reasonable Markup Analysis Using Comparables

10% markup is an arm's-length markup on cost of service based on comparables analysis

Reviewed more than 345 potential comparables and identified 9 that are closest to the relevant CRO transactions.

— Interquartile range is summarized below

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Lower Quartile	8.2%	6.6%	4.9%	4.1%	0.7%	3.2%	7.5%	8.2%	9.5%	12.0%	9.1%
Median	8.5%	9.3%	9.6%	11.7%	8.2%	7.7%	9.2%	13.3%	12.8%	12.8%	12.0%
Upper Quartile	14.6%	16.8%	17.2%	15.6%	13.8%	12.4%	15.0%	16.0%	17.3%	16.2%	15.9%

Evaluating Cost Sharing and R&D Funding

PPLP funded its share of R&D with the understanding that it held the U.S. rights to the assets under development. This assumes that PPLP has access to all the necessary patents and U.S. rights with respect to these assets. This also assumes that PPLP funded its pro-rata share of the overall R&D budget of EDO, and that all the costs incurred by EDO were appropriate pursuant to the R&D program.

Under this approach, PPLP will retain the U.S. rights of any commercialized assets, and the reasonableness of the transfer can be assessed by evaluating whether the cost plus 10% arrangement is consistent with arm's-length dealings. It is our understanding that PPLP will retain the U.S. rights, per discussions between the parties.

Alternate Approach to Evaluating the Arrangement

We have also evaluated the alternative scenario, in which PPLP will give up its U.S. rights to any commercialized assets post-bankruptcy, despite having funded its share of the acquisition and R&D costs for these pipeline assets.

At arm's-length, Mundipharma would obtain these U.S. rights from PPLP in exchange for the following:

- Repayment of the $31.5MM in PPLP's incurred R&D costs to date
- Repayment of the ~$8.4MM in payments by PPLP made to obtain the U.S. rights
  - CAP7.1: $7.5MM (converted from €6.698MM at 2019 exchange rate)
  - EDS101: $900K
  - EDO-B278 and EDO-B776 (if applicable)

Source: Currency conversion rates based upon annual Euro to USD exchange rate for 2019: 1 EUR = 1.1194 USD (according to Federal Reserve Economic Data).

Other: R&D

PPLP Payments to Mundipharma Research Limited (MRL) for R&D Services (1H)

PPLP Paid $80.5MM for R&D Services to Mundipharma Research Limited ("MRL")

In 2003, PPLP entered into a research agreement with MRL for R&D services. In this agreement, PPLP agreed to pay cost plus a 10% markup for R&D services (or cost plus 2.5% markup if the service provider is an associate approved sub-contractor). In 2010, PPLP and MRL replaced the 2003 agreement. The 2010 agreement was amended in March 2017 and February 2018, and modified the products and projects covered.

From January 2008 to September 15, 2019, PPLP paid $80.5MM to MRL for R&D services, of which $7.3MM was for markups.

Based on comparables analysis, a 10% markup is an arm's-length markup for R&D services.

PPLP's Research Agreement with MRL for R&D Services (2003)

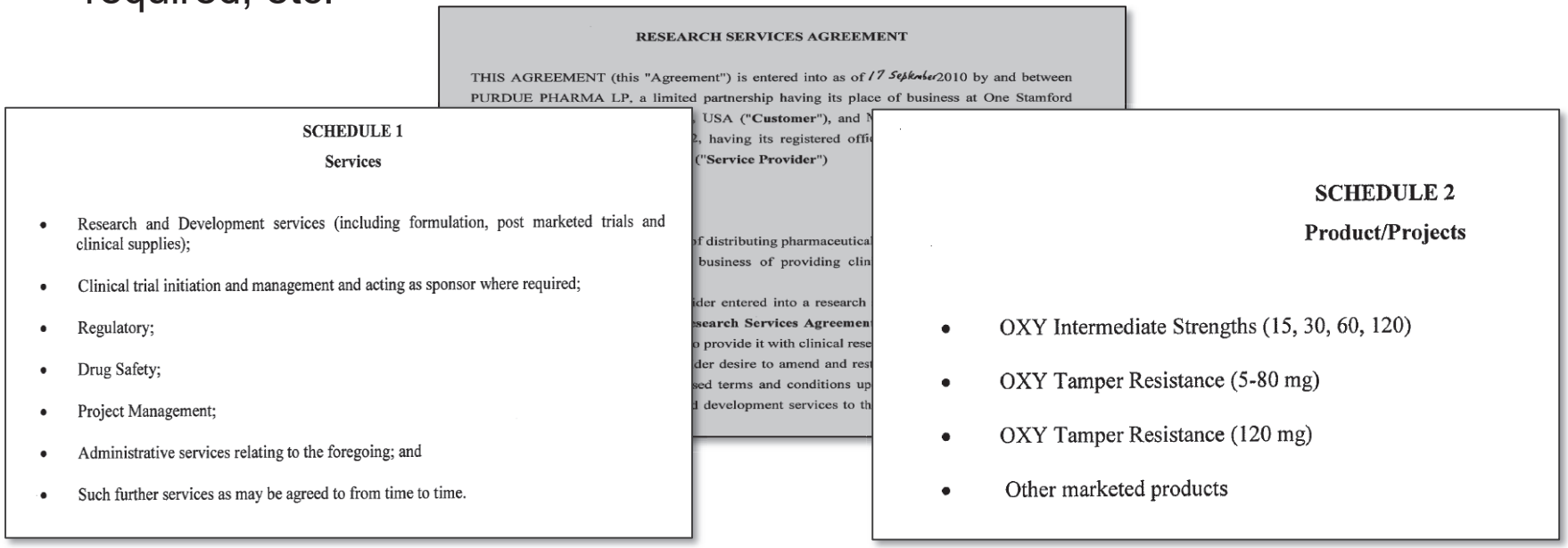
In 2003, PPLP entered into a research agreement with MRL for Mundipharma to provide R&D services to PPLP. The examples include consulting on regulatory affairs, technical development, medical research, and project management for OxyContin in foreign countries.

This agreement contained provisions for PPLP to pay cost plus a 10% markup on most services. The agreement specified cost plus 2.5% markup for services provided through an associate approved sub-contractor.

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 29, 133–142.
Note: The AlixPartners Intercompany and Non-Cash Transfers Report does not include identification and quantification of transfers of value before January 2008. AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 8.

PPLP's Research Agreement with MRL for R&D Services (2010)

In September 2010, PPLP and MRL entered into a new agreement that replaced the 2010 agreement. This agreement modified the list of products and projects covered under the prior agreement. The services provided by MRL are at the "direction and control" of PPLP. The services include: R&D services (including formulation, post marketed trials and clinical supplies); clinical trial initiation and management, and acting as sponsor where required; etc.



RESEARCH SERVICES AGREEMENT

THIS AGREEMENT (this "Agreement") is entered into as of 17 September 2010 by and between PURDUE PHARMA LP, a limited partnership having its place of business at One Stamford

SCHEDULE 1

Services

- Research and Development services (including formulation, post marketed trials and clinical supplies);
- Clinical trial initiation and management and acting as sponsor where required;
- Regulatory;
- Drug Safety;
- Project Management;
- Administrative services relating to the foregoing; and
- Such further services as may be agreed to from time to time.

SCHEDULE 2

Product/Projects

- OXY Intermediate Strengths (15, 30, 60, 120)
- OXY Tamper Resistance (5-80 mg)
- OXY Tamper Resistance (120 mg)
- Other marketed products

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 29, 133–142; Research Services Agreement between PPLP and Mundipharma Research Limited, September 17, 2010, pages 3, 14–15.

PPLP's Research Agreements with MRL for R&D Services (2010)

From 2008 through September 15, 2019, PPLP was charged $80.5MM for the research services provided by MRL. This included costs and expenses and a service charge of 10%.

The research services payments were made by PPLP and two of its subsidiaries: (1) Purdue Pharmaceutical Products L.P. ("3XP"); and (2) Imbrium Therapeutics L.P. ("Imbrium").

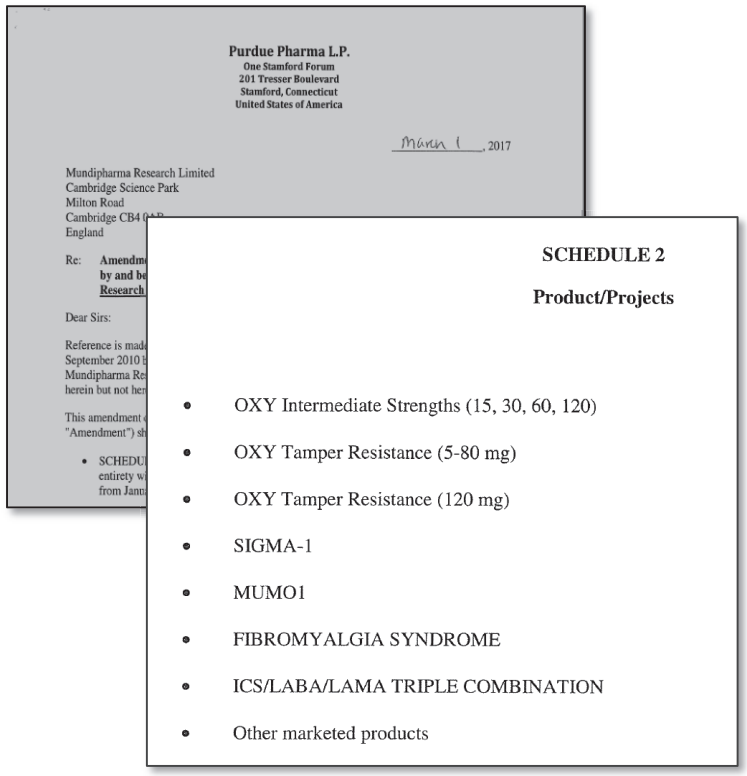
7. INVOICES AND PAYMENT

7.1 Within thirty days of the end of each calendar month, Service Provider shall submit to Customer an invoice showing the actual costs and expenses incurred by Service Provider in providing Services during such calendar month and supported by materials in substantially the same form as set out in Schedule 5 and containing a service charge in the amount of 10% of such costs and expenses save where research services are provided by an Associate Approved Sub-Contractor in which event the service charge will be in the amount of 2.5% of the cost of such Associate Approved-Sub Contractor.

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 29, 134–135. Research Services Agreement between PPLP and Mundipharma Research Limited, September 17, 2010, pages 4–5. 3XP's SAP code is 313; Imbrium's SAP code is 256.

PPLP's Research Agreements with MRL for R&D Services (2017 & 2018)

The 2010 agreement was amended in March 2017 and February 2018. The amendment added and replaced covered projects listed in schedule 2 (shown below).



Purdue Pharma L.P.
One Stamford Forum
201 Tresser Boulevard
Stamford, Connecticut
United States of America

March 1, 2017

Mundipharma Research Limited
Cambridge Science Park
Milton Road
Cambridge CB4 0AB
England

Re: Amendm... by and be... Research...

Dear Sirs:

Reference is mad... September 2010 b... Mundipharma Re... herein but not her...

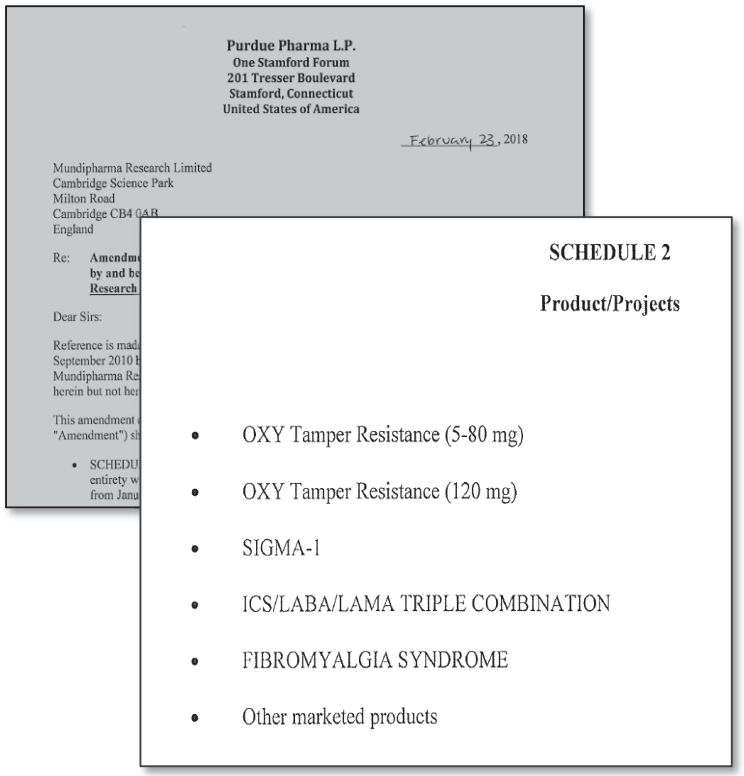
This amendment ... "Amendment") sh...

- SCHEDU... entirety w... from Janu...

SCHEDULE 2

Product/Projects

- OXY Intermediate Strengths (15, 30, 60, 120)
- OXY Tamper Resistance (5-80 mg)
- OXY Tamper Resistance (120 mg)
- SIGMA-1
- MUMO1
- FIBROMYALGIA SYNDROME
- ICS/LABA/LAMA TRIPLE COMBINATION
- Other marketed products



Purdue Pharma L.P.
One Stamford Forum
201 Tresser Boulevard
Stamford, Connecticut
United States of America

February 23, 2018

Mundipharma Research Limited
Cambridge Science Park
Milton Road
Cambridge CB4 0AB
England

Re: Amendm... by and be... Research...

Dear Sirs:

Reference is mad... September 2010 b... Mundipharma Re... herein but not her...

This amendment ... "Amendment") sh...

- SCHEDU... entirety w... from Janu...

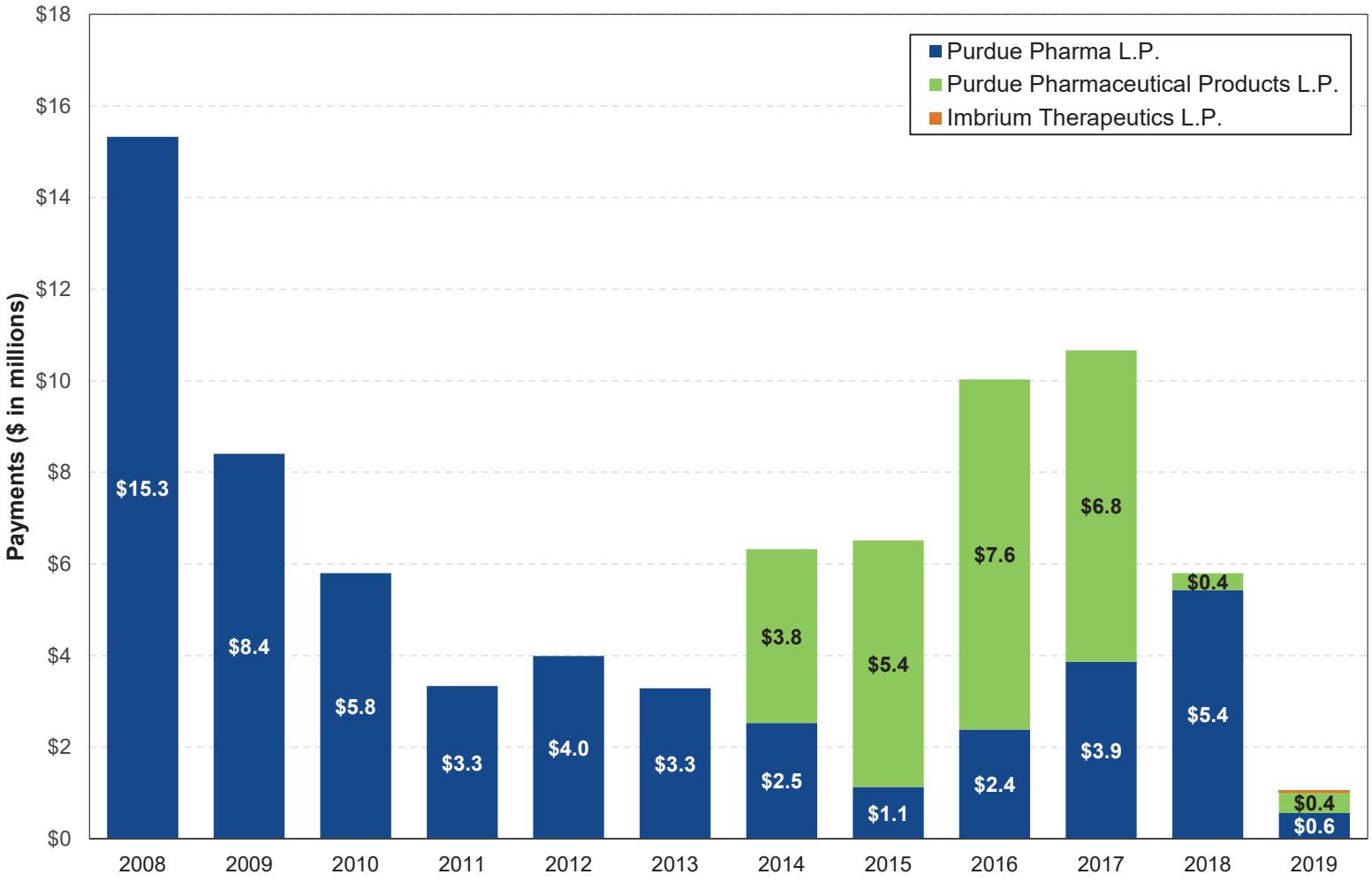
SCHEDULE 2

Product/Projects

- OXY Tamper Resistance (5-80 mg)
- OXY Tamper Resistance (120 mg)
- SIGMA-1
- ICS/LABA/LAMA TRIPLE COMBINATION
- FIBROMYALGIA SYNDROME
- Other marketed products

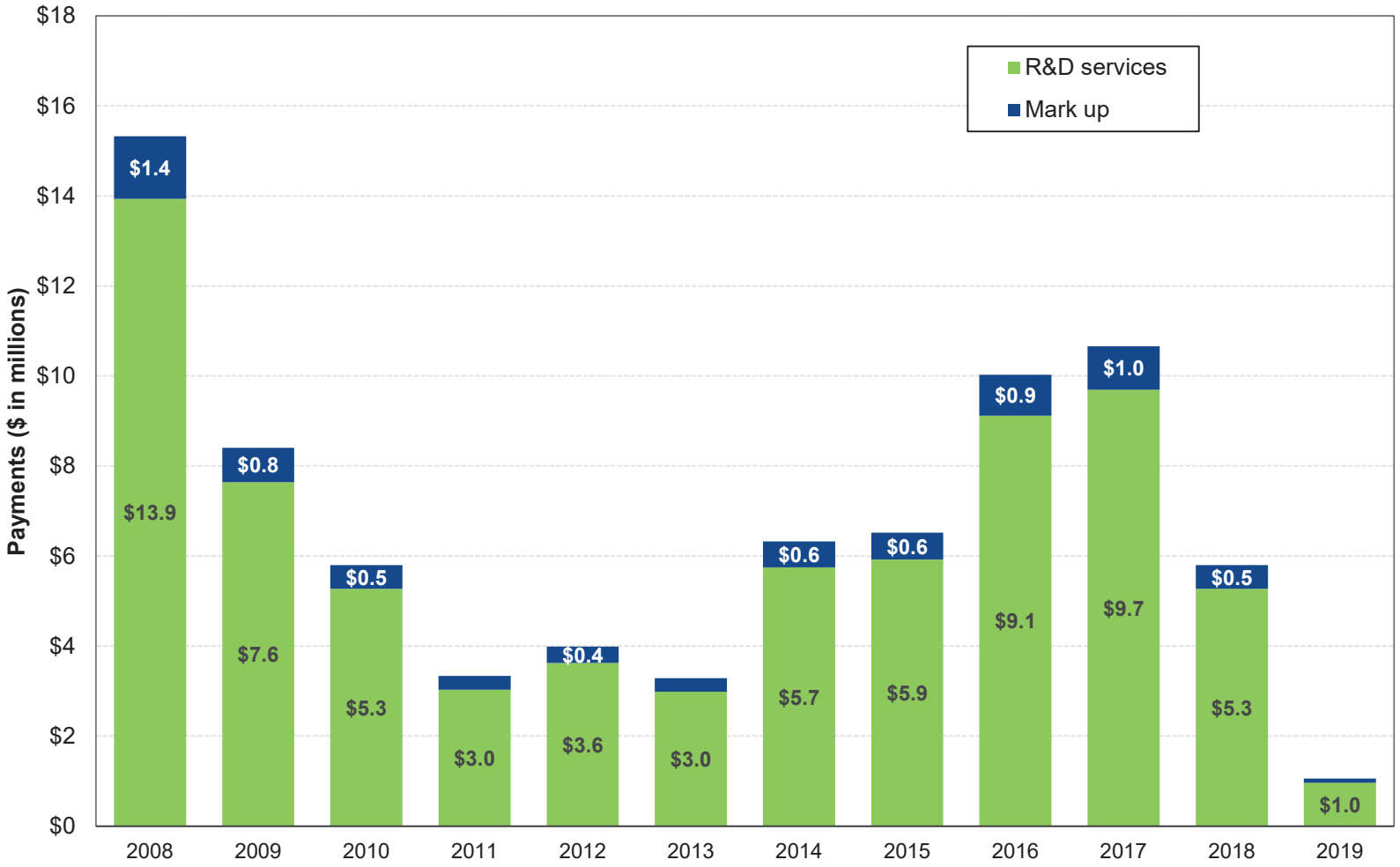
Source: Amendment to Research Services Agreement dated the 17th day of September 2010 by and between PPLP., United States of America and Mundipharma Research Limited, United Kingdom, dated March 1, 2017; Amendment to Research Services Agreement dated the 17th day of September 2010 by and between PPLP, United States of America and Mundipharma Research Limited, United Kingdom, dated February 23, 2018.

PPLP Paid $80.5MM to MRL From 2008 Through Sept. 15, 2019



Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28 2020), 135.
Charges totaled $56.03MM for PPLP, $24.44MM for 3XP, and $.05MM for Imbrium Therapeutics.

PPLP Paid $80.5MM to MRL for R&D Services, Including $7.3MM in Markups From 2008 to Sept. 15, 2019



Source: According to AlixPartners, 10% markups are included in the total invoiced amount, and not as shown as a separate line item in SAP. AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 135.

PPLP Bore the Cost of Ex-U.S. Regulatory Approval for OxyContin

PPLP bore the cost of OxyContin ex-U.S. regulatory approval. These included registration fees and clinical trials. The licensees reimbursed PPLP for registration fees. The R&D obligations are discussed in the ADF and non-ADF OxyContin agreements with MDCBV, MLG and NAPP.

For example, PPLP paid £5.579MM to MRL between 2005 to 2008 for pursuing national approvals following submissions to both European and overseas regulatory agencies. PPLP also paid MRL for development costs of ADF OxyContin in Asia Pacific, Latin America, Middle East, and North Africa in 2015.

Source: Manufacturing License Agreement between PPLP and Mundipharma DC B.V, OxyContin OTR, Australia, January 2018, Section 13.1.3, p. 16; Manufacturing License Agreement between PPLP and Mundipharma DC B.V, OxyContin Preparations, Arab States, January 2016, Section 12.1.1, p.14; Executive License and Manufacturer's Agreement between the Purdue Pharma Company and NAPP Pharmaceutical Holdings Limited, Oxycodone Preparations, United Kingdom of Great Britain, Northern Ireland, and the Isle of Man, December 18, 2002, Section 9.1.1, p. 15; PPLPUCC000616905; PPLPUCC002432320 at -620; PPLP004411785 at -798.

MRL Was Also Involved in Promoting Hysingla, Exporting Opioids from U.K. to U.S., and R&D

MRL was involved in the promotion of Hysingla in 2015.

- A document suggests that MRL submitted journal ads, reviewed elements of a website, and reviewed promotional banner ads for a Hysingla marketing campaign

MRL exported opioid tablets from the U.K. to the U.S. in 2009.

- A MRL shipping manifest reports 775 kilos of oxycodone-naloxone tablets were sent to Almac Clinical Studies in the U.S.
- A U.S. Drug Enforcement Administration permit to import dated August 2009 designates MRL as the source of imported oxycodone-naloxone tablets

MRL was charging PPLP for R&D costs.

- Sigma-1 and MuMo-1 projects (collaborations with Esteve)
- Litx project (acquired from Light Sciences Oncology)

Source: PPLPC018001150722; PPINV0013088119 at -119; PPINV0013088118 at -118; PPLP004411785 at -798.

MRL Charged PPLP for Development Costs Related to ADF OxyContin (Among Others)

MRL recharged PPLP for its development costs related to ADF OxyContin for Middle East, North Africa, Asia Pacific, and Latin America

R&D (ex-USA)	1. Mundipharma Research Limited recharges for development costs related for the Esteve and Litx projects, as well as OxyContin new formulation development cost for Middle East, North Africa, Asia Pacific and Latin America have been provided by Steve Knott on April 16th. 2. Northlake project development costs have been provided by Sonja Nagy from Mundipharma EDO on April 17th. 3. Litx, Esteve and Northlake support and milestone projects have been risk adjusted. 4. Please note that the Litx and EDO annual fees remain as is per contract terms and have not been risk adjusted.

Source: PPLP004411785 at -798.

Example: 2008 Email References PPLP Payment for Registration of Intermediate and Higher Strength OxyContin in U.K.

To: [redacted]
From: [redacted]
(FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=C33F049FAE7D49B38858746CF78F6197]
Sent: Mon 8/4/2008 9:38:13 PM (UTC)
Subject: FW: Invoice Back Up
Amend ELMA PPLP NPH UK as of 25 May 05.PDF
Amend ELMA PPLP NPHL 10 Nov 04.PDF
ELMA PPCO NPHL 10 Nov 02.PDF
OxyContin Invoice Backing.xls

Based on the descriptives in the attached excel file, the USA needs to pay the invoices because the recharges relate to the registration of the intermediate and higher strengths of OxyContin, and also patent infringement costs:

1. The Preparation (as defined in Annex III) covers 5, 10, 20, 40, 80 and 160mg
2. Section 9.1.1 says "The cost of obtaining registration including the cost of clinical trials or other work carried out in each case with the approval of Licensor to support for registration, shall be borne by the Licensor"
3. Section 7.1.1 says "Licensor shall have the right to prosecute infringers and defend the Know-how and/or Patent in the name of Licensee and to call upon Licensee to provide all information and assistance within its power in connection with such suit and Licensor shall reimburse Licensee in respect of reasonable expenses incurred by the Licensee".

I have attached a copy of the Exclusive License and Manufacture Agreement as a PDF.

[redacted]

Source: PPLPUCC000616839 at -496.

Public Clinical Trials Data Demonstrate Numerous Clinical Trials Conducted by Mundipharma

FDA clinical trials data indicate Mundipharma's participation in roughly 130 trials from 2008 to September 15, 2019.

- Includes numerous Mundipharma entities
- Most trials focused on pain management, but also includes osteoarthritis, cancer, and other indications

MRL associated with 28 trials, of which 8 indicated a focus on pain.

- Only one of these trials indicates a focus on oxycodone, the aim of which is to "assess the safety and tolerability of oxycodone hydrochloride injection"

Source: U.S. National Library of Medicine, "ClinicalTrials.gov Advanced Search," accessed May 15, 2020, https://clinicaltrials.gov/.

Example: MRL Clinical Trial

Rank	NCT Number	Title	Acronym	Status	Study Results	Conditions	Interventions	Outcome Measures	Sponsor/Collaborato	Gender	Age	Phases	Enrollment	Funded B
1	NCT03436784	The Indiana SNAP-Ed Long-term Study Si		Completed	No Results Available	Nutrient Intake Inade	Behavioral: Indiana S	Long-term Change in	Purdue University|Pu	All	18 Years a	Not Applic	261	Other
2	NCT03436589	The Indiana SNAP-Ed Long-term Study		Completed	No Results Available	Food Insecurity|Foo	Behavioral: Indiana S	Change in Househol	Purdue University|Un	All	18 Years a	Not Applic	575	Other
3	NCT04023604	Antimicrobial-free Pn S54		Not yet recruiting	No Results Available	Diet Modification	Other: Controlled die	Differences in the rel	Purdue University|Cc	All	21 Years to	Not Applic	35	Other
4	NCT04019379	Calcium and Phosphorus Whole-Body Bal		Not yet recruiting	No Results Available	Phosphorus and Cal	Other: Low Calcium/I	Fractional calcium ab	Purdue University|Inc	All	30 Years to	Not Applic	4	Other
5	NCT03940105	Are All Snacks Created Equal?		Completed	No Results Available	Snacking	Behavioral: Packout	Ad libitum Snack Ene	Purdue University|Sa	All	18 Years to	Not Applic	31	Other
6	NCT03925142	Effects of Replacing Starchy Vegetables i		Recruiting	No Results Available	Diet Modification	Other: Controlled hea	Concentrations of se	Purdue University	All	30 Years to	Not Applic	60	Other
7	NCT03885544	Effects of Gl							iversity	All	20 Years to	Not Applic	25	Other
8	NCT03883880	Salivary Inter							iversity|Na	All	18 Years to	Not Applic	120	Other|NIH
9	NCT03762993	Controlled Ph							iversity	All	18 Years to	Not Applic	50	Other
10	NCT03713346	Comparing th							iversity	All	18 Years to	Not Applic	200	Other
11	NCT03649568	Protein Sourc							iversity	All	25 Years to	Not Applic	30	Other
12	NCT03637010	Purdue Study							iversity	All	10 Years to	Not Applic	700	Other
13	NCT03630458	Digestive Pro							iversity	All	18 Years to	Not Applic	15	Other
14	NCT03630445	Slowly Digest							iversity|Ge	All	18 Years to	Not Applic	20	Other|Inc
15	NCT03630263	Impact of Sc							iversity	All	18 Years to	Not Applic	32	Other
16	NCT03595462	The Benefits							iversity	All	18 Years to	Not Applic	33	Other
17	NCT03595436	The Effects o							iversity	Male	20 Years to	Not Applic	40	Other
18	NCT03536676	Benefits of a							iversity|Eg	All	10 Years to	Not Applic	600	Other
19	NCT03501238	Interaction of							iversity	All	18 Years to	Not Applic	60	Other
20	NCT03495271	Pilot Study of							iversity	All	Child, Adult, Older Adu		55	Other
21	NCT03467737	Assessment							iversity|Ba	All	18 Months	Not Applic	54	Other
22	NCT03467659	Whole Grains, Gastric Emptying and Glyce		Completed	No Results Available	Obesity|Diabetes Me	Other: Cracked whol	Gastric emptying|Gly	Purdue University	All	18 Years to	Not Applic	16	Other
23	NCT03410719	Mediterranean Style |MeDiGi|Carb		Recruiting	No Results Available	Insulin Sensitivity	Other: Hi GI	The effects of Low-C	Purdue University|Fe	All	30 Years to	Not Applic	240	Other
24	NCT03409497	Effects of Grape Juice With Breakfast on (		Not yet recruiting	No Results Available	Glycemic Response|	Other: Concord Grap	change in blood gluc	Purdue University|Wi	All	25 Years to	Not Applic	40	Other
25	NCT03409484	Effects of Concord Grape Juice Alone on		Active, not recruiting	No Results Available	Glycemic Response|	Other: Concord Grap	Change in blood gluc	Purdue University|Wi	All	25 Years to	Not Applic	40	Other
26	NCT03236116	Almond Consumption and Glycemia		Recruiting	No Results Available	Glucose Intolerance|	Other: Almonds|Othe	HbA1c|fasting glucos	Purdue University|Alr	All	18 Years to	Not Applic	120	Other
27	NCT03174769													
28	NCT03171402													
29	NCT03154606													
30	NCT03146442													
31	NCT03134014													
32	NCT03132376													
33	NCT03108222													

Title	Conditions	Outcome Measures	Sponsor/Collaborators	Phases	Interventions
Study to Assess Pharmacokinetic (PK), Bioavailability & Fo	Opioid Substitution Treatment	Measure the observed maximum plasma or seru	Mundipharma Research Limited	Phase 1	Drug: MR902|Drug: IR morphine sul
A Study to Evaluate the Effect of Fluticasone/Formoterol B	Asthma	Measuring peripheral airway resistance (R5-R20	Mundipharma Research Limited	Phase 3	Drug: Fluticasone/Formoterol BAI|D
A Study to Compare Fluticasone /Formoterol Breath Actu	ACOS (Fixed Airflow Obstruction and E	The efficacy of fluticasone/formoterol BAI 125/5	Mundipharma Research Limited	Phase 2|	Drug: fluticasone propionate/formo
A Study of Whether 3 New Oral Formulations of a Strong P	Pain	Bioequivalence as measured by PK parameters	Mundipharma Research Limited	Phase 1	Drug: MR1XXX|Drug: MR1XXX|Drug:
An Assessment of Buprenorphine Transdermal Delivery Sy	Pain	Patch Adhesion score|Observer Rating Scale o	Mundipharma Research Limited	Phase 1	Drug: BTDS
A Pharmacokinetic/Pharmacodynamic Inhaler Comparison	Asthma	Pharmacokinetic parameters Composite meas	Mundipharma Research Limited	Phase 1	Drug: Fluticasone/formoterol BAI|D
Bioequivalence and Adhesion Comparison of Buprenorphi	Pain	Bioequivalence|Patch adhesion|Residual Bupre	Mundipharma Research Limited	Phase 1	Drug: Buprenorphine
FlutiformÂ® Compared With SeretideÂ® in the Treatment o	Chronic Obstructive Pulmonary Diseas	Average pre-dose FEV1|Average 1 hour Post do	Mundipharma Research Limited	Phase 2|	Drug: Flutiform 500/20 Âµg BID|Dru
A Dose Proportionality and Bioavailability Assessment of I	Pain	Pharmacokinetics parameters|Adverse events	Mundipharma Research Limited	Phase 1	Drug: Second generation BTDS pat
A Study to Assess How the Body Processes a Strong Pain	Pain	Pharmacokinetics parameters AUC and Cmax|	Mundipharma Research Limited	Phase 1	Drug: 4 mg 12 hourly capsule - strong
A Study of Whether 2 New Oral Formulations of a Strong P	Pain	Assess the pharmacokinetics and potential for	Mundipharma Research Limited	Phase 1	Drug: Active comparator MR2XXX|
Knemometry Study to Compare the Systemic Safety of Flut	Mild Persistent Asthma	To show non-inferiority of flutiform pMDI 50/5 Â	Mundipharma Research Limited	Phase 2	Drug: Flutiform 50/5 ug (2 puffs bid)
A Study to Show That Flutiform is Well Tolerated and Effect	Chronic Obstructive Pulmonary Diseas	Annual rate of moderate and severe COPD exa	Mundipharma Research Limited	Phase 3	Drug: Flutiform|Drug: Formoterol
A Study Assessing the Efficacy and Safety of LodotraÂ® C	Polymyalgia Rheumatica	To show that treatment with LodotraÂ® is nonin	Mundipharma Research Limited	Phase 3	Drug: LodotraÂ®|Drug: Prednisone
A Study Assessing Patient Handling of FlutiformÂ® Breath	Asthma|COPD	Measurement of successful device use (Flutifo	Mundipharma Research Limited		Device: FlutiformÂ® pMDI and Bre
Comparison of Flutiform, Fluticasone and Seretide in Treat	Asthma	To show superiority in the efficacy of Flutiform p	Mundipharma Research Limited	Phase 3	Drug: Flutiform|Drug: Seretide|Drug:
A Trial to Investigate the Efficacy of Bendamustine in Patie	Indolent B-cell NHL	Progression-free survival|Overall Response Ra	Mundipharma Research Limited	Phase 3	Drug: Bendamustine IV|Other: Treat
Prospective Study on the Use of Transdermal Analgesic Bu	Chronic Pain	The incidence and severity of side effects|Treat	Mundipharma Research Limited		
Assessment of the Efficacy and Safety of FlutiFormÂ® pM	Asthma	non-inferiority in the efficacy of FlutiFormÂ®|Ac	Mundipharma Research Limited	Phase 3	Drug: Flutiform|Drug: Symbicort Tur
Study to Assess Airway Inflammation Effects of FlutiForm/	Asthma	Effects of each dose strength on bronchial hype	Mundipharma Research Limited	Phase 2	Drug: Fluticasone propionate / Form
A Study to Characterize the Pharmacokinetics and Tolerab	Chemotherapy Induced Mucositis|Mou	To characterise the pharmacokinetics of BTDS	Mundipharma Research Limited	Phase 1|	Drug: Buprenorphine
Study to Demonstrate the Safety of WBR Administered at t	Solid Tumour Neoplastic Meningitis|Br	To demonstrate that WBRT concomitant to De	Mundipharma Research Limited	Phase 1	Drug: Whole Brain Radio Therapy ('w
Study of FlutiFormÂ® Versus Fluticasone Plus Formotero	Asthma, Bronchial	Comparison of FEV1 (Forced expiratory volume	Mundipharma Research Limited	Phase 3	Drug: Flutiform 250/10 micrograms|D
Trial of Forodesine in Patients With Relapsed B-cell Chroni	B-cell Chronic Lymphocytic Leukemia	To determine the dose and duration of treatmer	Mundipharma Research Limited	Phase 1	Drug: Forodesine
A Study to Assess the Safety and Tolerability of Oxycodone	Severe Caner Pain	To assess the safety and tolerability of Oxycodo	Mundipharma Research Limited	Phase 3	Drug: Oxycodone Hydrochloride
An Open, Randomised, Parallel Group Multicentre Study to	Asthma Bronchiale	Comparison of mean Forced Expriatory Volume	Mundipharma Research Limited	Phase 3	Drug: Flutiform|Drug: Flixotide plus F
Efficacy and Safety of FlutiformÂ® pMDI in Adult Patients '	Asthma Bronchiale	FEV1, (Forced expiratory volume in the 1st secon	Mundipharma Research Limited	Phase 3	Drug: FLUTIFORMÂ® (Formoterol
Study of FLUTIFORMÂ® VS SeretideÂ® in Paediatric Subj	Asthma	FEV1, recorded at visits to investigator at 2 wks,	Mundipharma Research Limited	Phase 3	Drug: FLUTIFORMÂ® (Formoterol

Source: U.S. National Library of Medicine, "ClinicalTrials.gov Advanced Search," accessed May 15, 2020, https://clinicaltrials.gov/.

CROs: Reasonable Markup Analysis Using Comparable Transactions

10% markup is an arm's-length markup on cost of service based on comparables analysis.

This analysis reviewed more than 345 potential comparables and identified 9 that are closest to the relevant CRO transactions.

— Interquartile range is summarized below

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Lower Quartile	8.2%	6.6%	4.9%	4.1%	0.7%	3.2%	7.5%	8.2%	9.5%	12.0%	9.1%
Median	8.5%	9.3%	9.6%	11.7%	8.2%	7.7%	9.2%	13.3%	12.8%	12.8%	12.0%
Upper Quartile	14.6%	16.8%	17.2%	15.6%	13.8%	12.4%	15.0%	16.0%	17.3%	16.2%	15.9%

Other: Finished Products

PPLP/3XP Payments to PPTI for Finished Products from Third Parties (1D)

PPLP Payments to PPTI for Finished Products, Transactions from 2008–2017

On January 1, 2008, PPLP entered into a purchasing services agreement with PPTI. From 2008 to 2017, PPLP paid $182MM to PPTI for finished products purchased from third parties on behalf of Purdue.

Examples of purchased finished products include Butrans, Betadine, and Senokot. It is our understanding that this agreement ended in 2017.

Pursuant to the purchasing services agreement, PPLP paid costs and expenses incurred by PPTI plus a 5% service charge. The markup of 5% on cost is reasonable based on an analysis of the markups earned by comparable companies in unrelated party transactions.

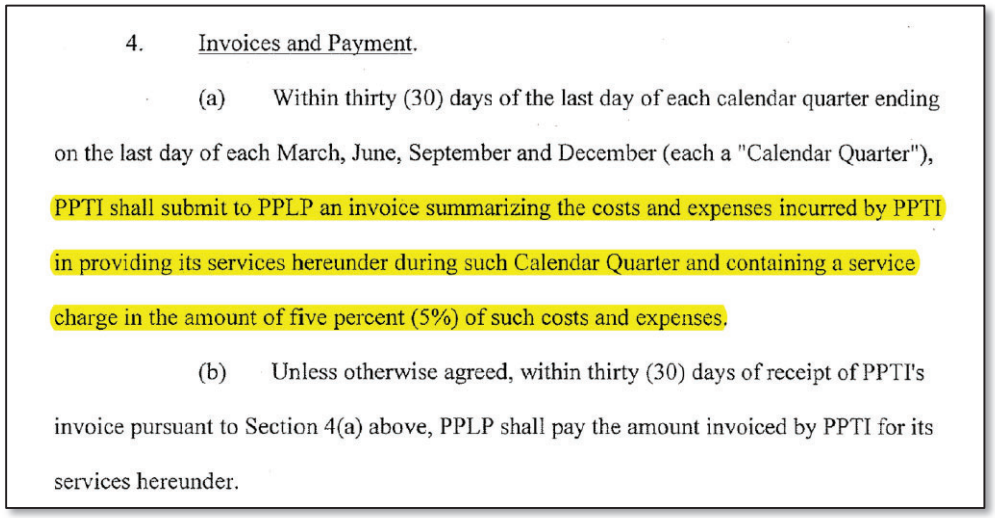
PPTI Made Purchases on Behalf of PPLP

On January 1, 2008, PPTI agreed to purchase finished products from third parties on behalf of PPLP.

- Examples: Butrans, Betadine, Colace, Senokot

Purdue entities receiving finished products from PPTI include:

- Purdue Transdermal Technologies L.P., Purdue Products L.P. (Avrio Health L.P.), and Purdue Pharmaceutical Products L.P. (3XP)



4. Invoices and Payment.

(a) Within thirty (30) days of the last day of each calendar quarter ending on the last day of each March, June, September and December (each a "Calendar Quarter"), PPTI shall submit to PPLP an invoice summarizing the costs and expenses incurred by PPTI in providing its services hereunder during such Calendar Quarter and containing a service charge in the amount of five percent (5%) of such costs and expenses.

(b) Unless otherwise agreed, within thirty (30) days of receipt of PPTI's invoice pursuant to Section 4(a) above, PPLP shall pay the amount invoiced by PPTI for its services hereunder.

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 94. Purdue Products, L.P. and Purdue Pharma Technologies, Inc., Purchasing Services Agreement, January 1, 2008, page 2.

PPLP Payments to PPTI of $182MM from 2008–2017

PPTI charged $182.1MM to PPLP from 2008 to 2017. The payments included costs and expenses plus a 5% service charge ($8.7MM).

The charges for purchasing services were not settled on a regular basis between PPTI and 3XP. PPLP would fund the balance on an *ad hoc* basis.

Invoices that supported the purchase from the third party vendor would be recorded on the books of PPTI. PPTI would recharge PPLP via a journal entry at cost plus 5% (no invoice was generated).

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 96–100.

Payments Were Made via Intercompany Charges

The intercompany reconciliation analyses of 3XP's accounting records was performed for E&Y from 2012 to 2017. The Income statement charges approximately match the balance sheet charges, with annual variances due to timing differences. Per AlixPartners, based on discussions with Purdue, creating similar analyses for other years would be burdensome and time consuming

The funding from 3XP to PPTI was $156MM, as compared to the *ad hoc* funding of $161MM. The cumulative difference is $5.3MM (i.e., less than 5%), suggesting that PPLP made regular cash payments to satisfy the intercompany charges.

Description	2012	2013	2014	2015	2016	2017	Cumulative Total: 2012 - 2017
3rd Party Purchasing:							
Balance Sheet Charges	$ 32,522,583	$ 22,972,784	$ 22,926,201	$ 19,659,665	$ 20,310,947	$ 12,234,581	$ 130,626,761
Income Statement Charges	32,866,635	26,307,510	24,181,836	20,311,089	21,279,185	13,055,169	138,001,424
Difference	(344,052)	(3,334,726)	(1,255,635)	(651,424)	(968,238)	(820,588)	(7,374,663)
Internal Audit, EHS, Security Services							
Balance Sheet Charges	10,909,423	11,395,545	8,646,898	8,893,969	(3,182)	-	39,842,653
Income Statement Charges	14,774,911	11,471,790	8,757,337	8,880,547	-	-	43,884,585
Difference	(3,865,488)	(76,245)	(110,439)	13,422	(3,182)	-	(4,041,932)
Other Balance Sheet Charges	(1,770,897)	(776,646)	(1,902,020)	(2,015,363)	(1,360,287)	(1,222,803)	(9,048,016)
Total Balance Sheet Charges	**$ 41,661,109**	**$ 33,591,682**	**$ 29,671,079**	**$ 26,538,271**	**$ 18,947,479**	**$ 11,011,778**	**$ 161,421,398**
Funding - PPLP to PPTI	39,100,000	37,326,944	30,145,000	16,550,000	20,000,000	13,000,000	156,121,944
Difference - Funding vs. Balance Sheet Charges	$ 2,561,109	$ (3,735,262)	$ (473,921)	$ 9,988,271	$ (1,052,521)	$ (1,988,222)	$ 5,299,454

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 25, 94–100.

Intercompany Charges were Settled in Cash

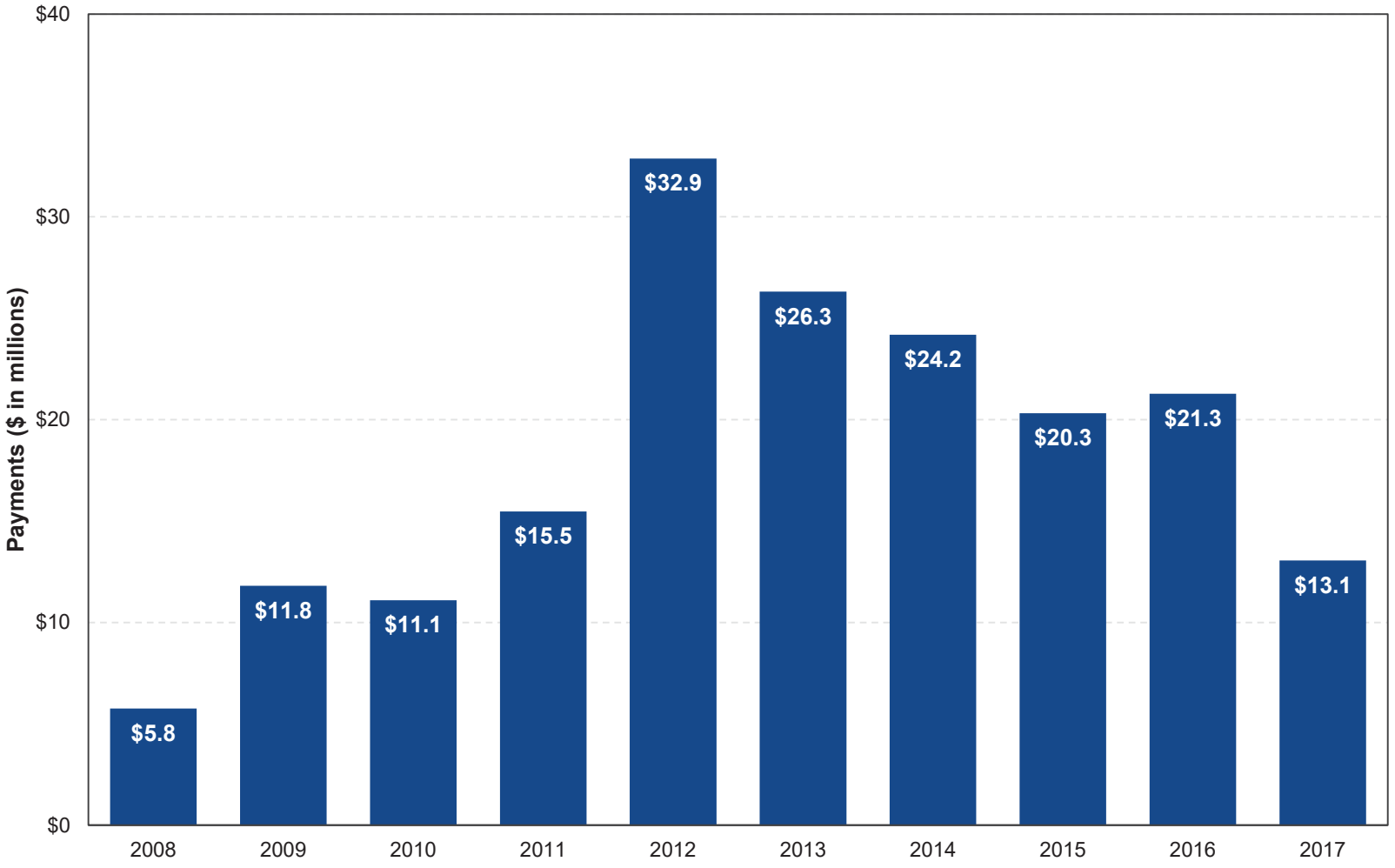
A comparison of all debits versus credits in the intercompany account between 3XP and PPTI (2008–September 15, 2019) indicates that all intercompany activity was ultimately settled in cash. The ending balance as of September 15, 2019 is $42,482.

It is our understanding that the purchasing services agreement with PPTI ended in 2017.

Account 102409 Company 208	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Prior Year Cumulative Balance	$ (211,005)	$ (2,210,437)	$ (3,541,336)	$ (6,587,449)	$ (983,661)	$ (11,983,484)	$ (8,414,176)	$ (7,940,255)	$ (17,928,526)	$ (16,876,005)	$ (15,067,328)	$ 614,270
Debits	24,682,596	24,998,987	29,644,606	43,398,128	42,996,919	48,200,557	36,984,290	28,930,723	23,007,403	15,801,645	16,054,326	288,643
Credits	(26,682,027)	(26,329,886)	(32,690,719)	(37,794,340)	(53,996,742)	(44,631,249)	(36,510,369)	(38,918,995)	(21,954,881)	(13,992,968)	(372,728)	(860,431)
Ending Cumulative Balance	$ (2,210,437)	$ (3,541,336)	$ (6,587,449)	$ (983,661)	$ (11,983,484)	$ (8,414,176)	$ (7,940,255)	$ (17,928,526)	$ (16,876,005)	$ (15,067,328)	$ 614,270	$ 42,482

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 96, 100.

Total Annual Payments to PPTI for Purchasing Services: $182.1MM



Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 96.

Analysis of Markup Using Comparable Transactions

Markup of 5% on cost is consistent with arm's-length results, based on our comparables analysis.

This analysis reviewed almost 1,000 potential comparables and identified nine that are closest to the relevant transactions

— The interquartile ranges are summarized below

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Lower Quartile	-0.2%	0.7%	1.1%	-0.1%	0.3%	0.9%	1.0%	1.3%	2.3%	1.2%	1.3%
Median	3.3%	3.3%	2.6%	1.9%	1.6%	1.1%	2.2%	2.9%	3.6%	3.8%	3.6%
Upper Quartile	6.8%	6.7%	5.2%	5.2%	5.3%	5.1%	4.8%	4.5%	4.4%	5.1%	5.2%

Other: Finished Products

Mundipharma Payments to PPLP for Finished Products (1Q)

IACs Paid PPLP for Finished Products

Between 2008 and September 15, 2019, various foreign IACs purchased $57MM of finished products from PPLP, including $51MM from Mundipharma Laboratories GmbH. These sales were not governed by written manufacturing supply agreements.

The sales of these products were priced at cost plus a 15% markup from 2011 to 2015, and cost plus a 10% markup from 2016 to 2019.

In these transactions, PPLP was not disadvantaged, as the markups received by PPLP during 2011–2019 (10% and 15%) were greater than the markups earned by comparable companies in unrelated party transactions.

Mundipharma Payments to PPLP for Finished Products

From January 2008 to September 2019, certain foreign IACs and Purdue Pharma Canada paid PPLP $56.6MM for finished dosage OxyContin and MS Contin for sale in foreign markets, including:

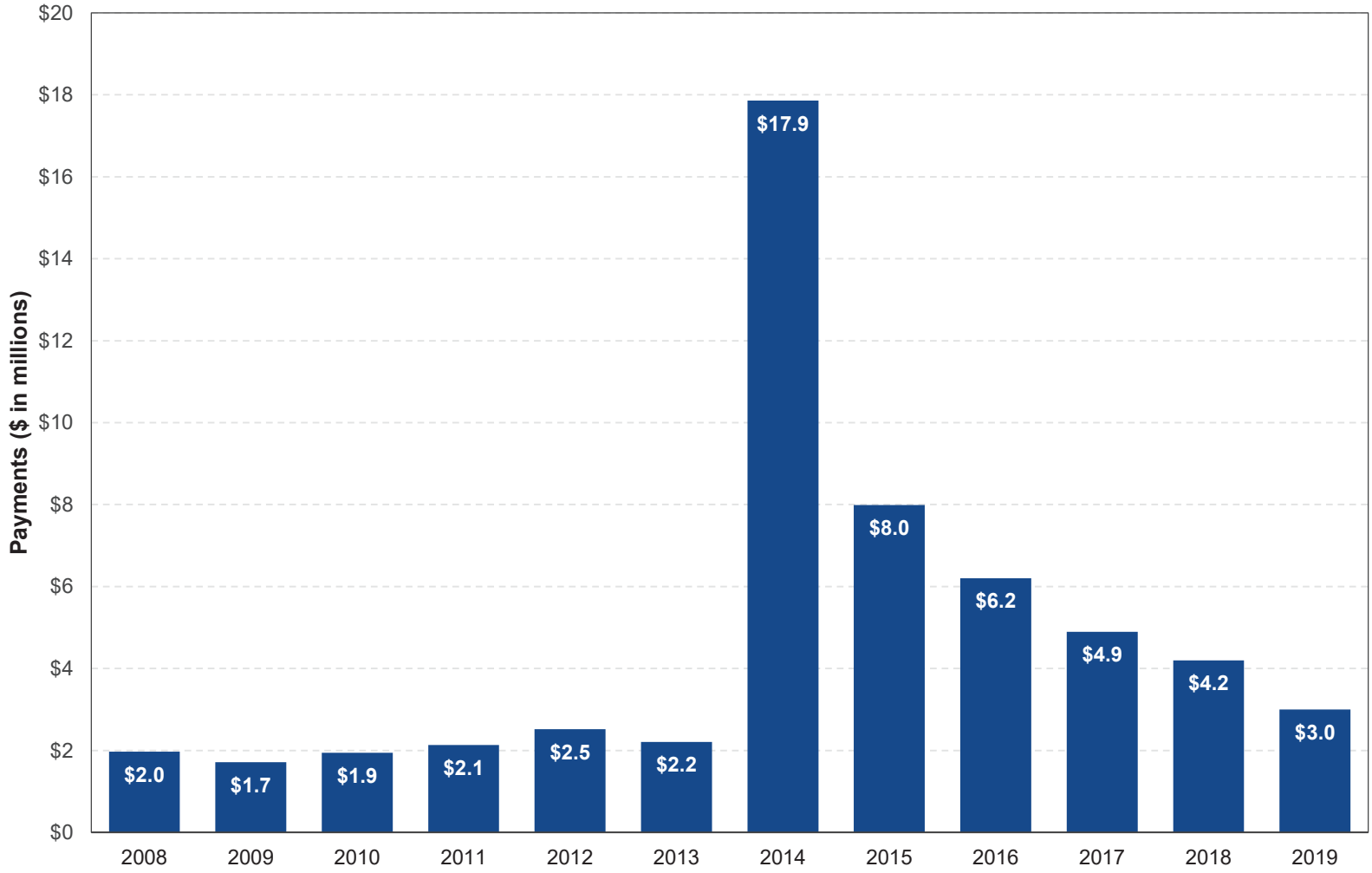
- $4.2MM relating to freight
- $5.5MM relating to product markups

The sales were not governed by a written manufacturing supply agreement.

- 2008 to 2010: prices for foreign markets were extrapolated based on costs and markups in the U.S. market for those individual products
- 2011 to 2015: prices were generally cost plus a 15% markup
- 2016 to 2019: prices were generally cost plus a 10% markup

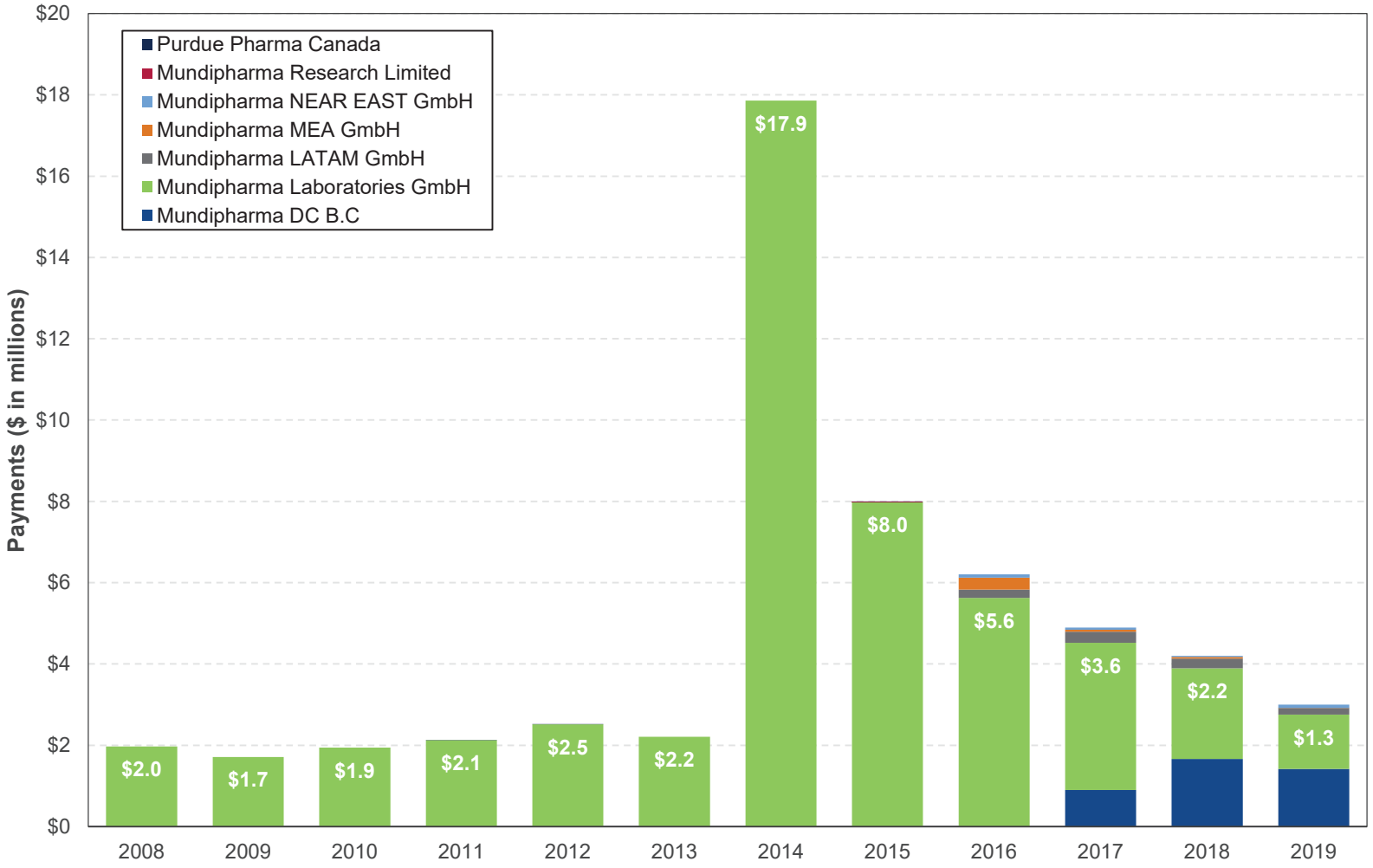
Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 38, 203.

Foreign IACs Annual Payments to PPLP Totaled Approximately $56.6MM for Finished Dosage Products



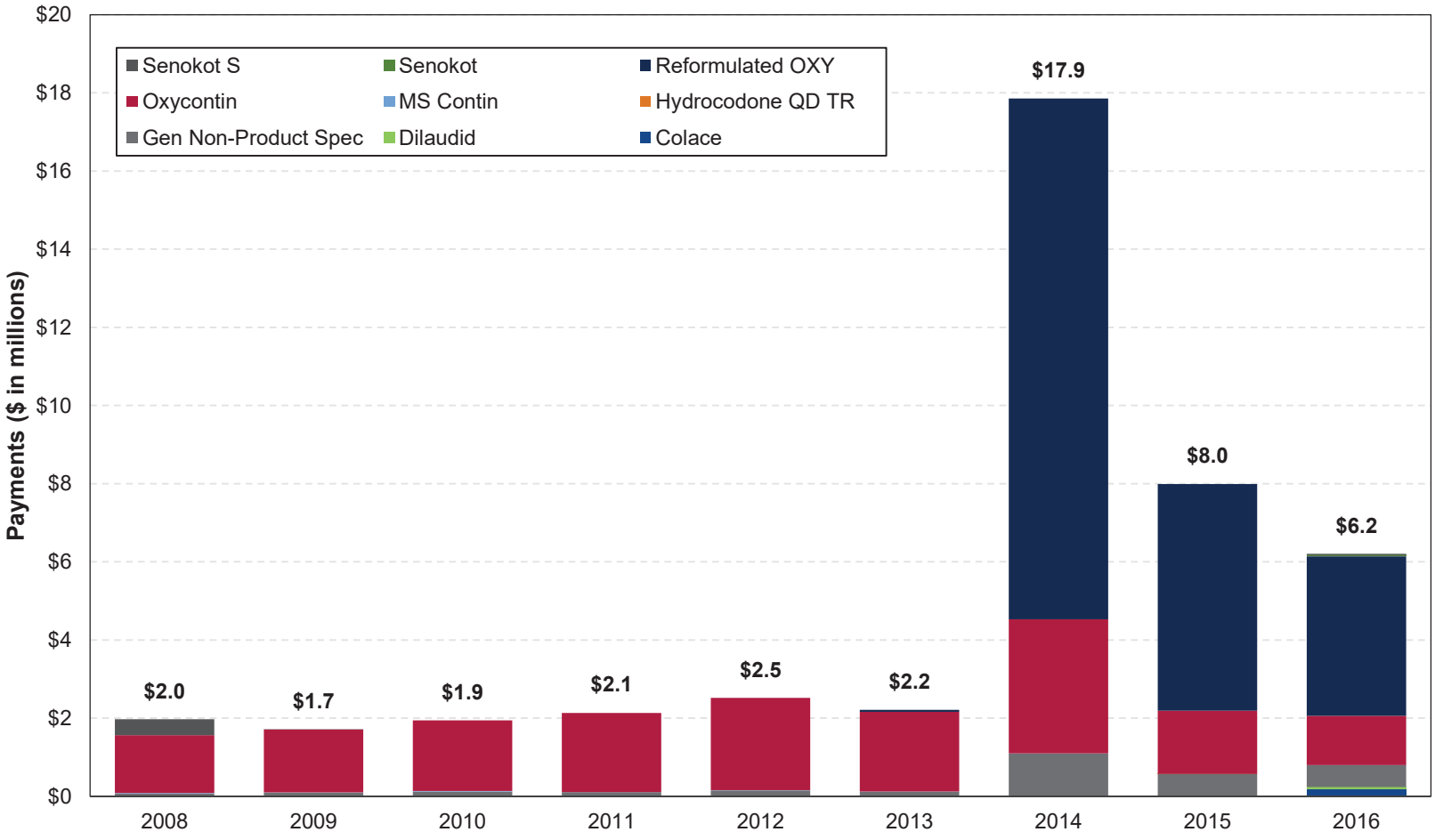
Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 38.

Foreign IACs Payments to PPLP Totaled Approximately $56.6MM for Finished Dosage Products (by Entity)



Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 203.

Foreign IACs Payments to PPLP of $44.36MM for Finished Dosage Products (by Product, 2008 to 2016)



Source: (ZPURD_SD_ZSD_C06_Q024 Foreign Sales 2013 NC02.xlsm; ZPURD_SD_ZSD_C06_Q024 Foreign Sales 2014 NC02.xlsm; ZPURD_SD_ZSD_C06_Q024 Foreign Sales 2015 NC02.xlsm; ZPURD_SD_ZSD_C06_Q024 Foreign Sales 2016 NC02.xlsm; ZPURD_SD_ZSD_C06_Q024 Foreign Sales 2008 NC02.xlsm; ZPURD_SD_ZSD_C06_Q024 Foreign Sales 2009 NC02.xlsm; ZPURD_SD_ZSD_C06_Q024 Foreign Sales 2010 NC02.xlsm; ZPURD_SD_ZSD_C06_Q024 Foreign Sales 2011 NC02.xlsm; ZPURD_SD_ZSD_C06_Q024 Foreign Sales 2012 NC02.xlsm.)

Markup Analysis Using Comparable Transactions

PPLP was not disadvantaged, as the markups received (10% and 15%) were higher than third party markups based on comparables analysis.

This analysis reviewed almost 1,000 potential comparables and identified nine that are closest to the relevant transactions.

— The interquartile ranges are summarized below

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Lower Quartile	-0.2%	0.7%	1.1%	-0.1%	0.3%	0.9%	1.0%	1.3%	2.3%	1.2%	1.3%
Median	3.3%	3.3%	2.6%	1.9%	1.6%	1.1%	2.2%	2.9%	3.6%	3.8%	3.6%
Upper Quartile	6.8%	6.7%	5.2%	5.2%	5.3%	5.1%	4.8%	4.5%	4.4%	5.1%	5.2%

Other: Finished Products

Mundipharma Payments to Rhodes Pharma for Finished Dosage Products for the Latin American, Africa and Middle East (“LAM”) Region (2B)

Mundipharma Payments to Rhodes Pharma for Finished Dosage Products for the LAM Region

In 2016 and 2017, Rhodes Pharma provided finished dosage products to Mundipharma's Latin America, Asia Pacific, and Middle East/Africa ("LAM") region.

Mundipharma Near East GMBH paid $35,961 to Rhodes Pharma in 2016 for these products. This transaction was not governed by any written agreements.

The finished dosage products were sold at cost plus a 22% markup.

Rhodes Pharma was not disadvantaged, as the markup received (22%) was greater than the markups earned by comparable companies in unrelated party transactions.

Mundipharma Payments to Rhodes Pharma for Finished Dosage Products for the LAM Region

It is our understanding that Rhodes Pharma provided finished dosage products to Mundipharma's LAM region in 2016 and 2017

Mundipharma Near East GMBH paid $35,961 to Rhodes Tech in 2016 for finished products related to "Oxycodone/APAP 5MG/325MG tablets 100s"

Products were sold at a cost plus 22% markup, amounting to $6,485 in markup amounts.

It is our understanding that this was a one-off transaction.

Source: Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 244-246.

Markup Analysis Using Comparable Transactions

Rhodes Pharma was not disadvantaged, as the markups received (22%) were higher than comparable markups.

This analysis reviewed almost 1,000 potential comparables and identified nine that come closest to the relevant transactions

— Interquartile ranges are summarized below

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Lower Quartile	-0.2%	0.7%	1.1%	-0.1%	0.3%	0.9%	1.0%	1.3%	2.3%	1.2%	1.3%
Median	3.3%	3.3%	2.6%	1.9%	1.6%	1.1%	2.2%	2.9%	3.6%	3.8%	3.6%
Upper Quartile	6.8%	6.7%	5.2%	5.2%	5.3%	5.1%	4.8%	4.5%	4.4%	5.1%	5.2%

Other: Finished Products

Rhodes Pharma Payments to Mundipharma Laboratories GmbH: Payments for Theophylline (2C)

Rhodes Pharma Payments to Mundipharma Laboratories GmbH for Theophylline

On October 1, 2011, Rhodes Pharma entered into a supply agreement with Mundipharma Laboratories GmbH for theophylline.

From October 1, 2011 to September 15, 2019, Rhodes Pharma paid $5.3MM to Mundipharma Laboratories GmbH for theophylline products. Rhodes Pharma agreed to pay listed prices subject to periodic negotiated adjustments.

It is unclear whether Rhodes Pharma paid a markup for these purchases. However, given the total transaction size and purchase quantity, the potential net differential to Rhodes Pharma, which is part of the Debtor Group, would likely be minimal, if any markups paid by Rhodes Pharma were in excess of arm's-length amounts.

Rhodes Pharma and Mundipharma Laboratories GmbH Entered Into a Supply Agreement on October 1, 2011

THIS AGREEMENT is made the day of 2011 by and between:

MUNDIPHARMA LABORATORIES GMBH, a Swiss company, having its principal place of business at St. Alban-Rheinweg 74, Ch-4020 Basel, Switzerland (the "**Seller**"); and

RHODES PHARMACEUTICALS L.P., a Delaware limited partnership, having an address at 498 Washington Street, Coventry, RI 02816, USA (the "**Buyer**").

WHEREAS the Parties wish to enter into an agreement concerning the supply by the Seller of the Products (as hereinafter defined) to the Buyer on the terms hereinafter set forth.

MUNDIPHARMA LABORATORIES GMBH

PRICE LIST

Mundipharma Laboratories GmbH to Rhodes Pharmaceuticals L.P.

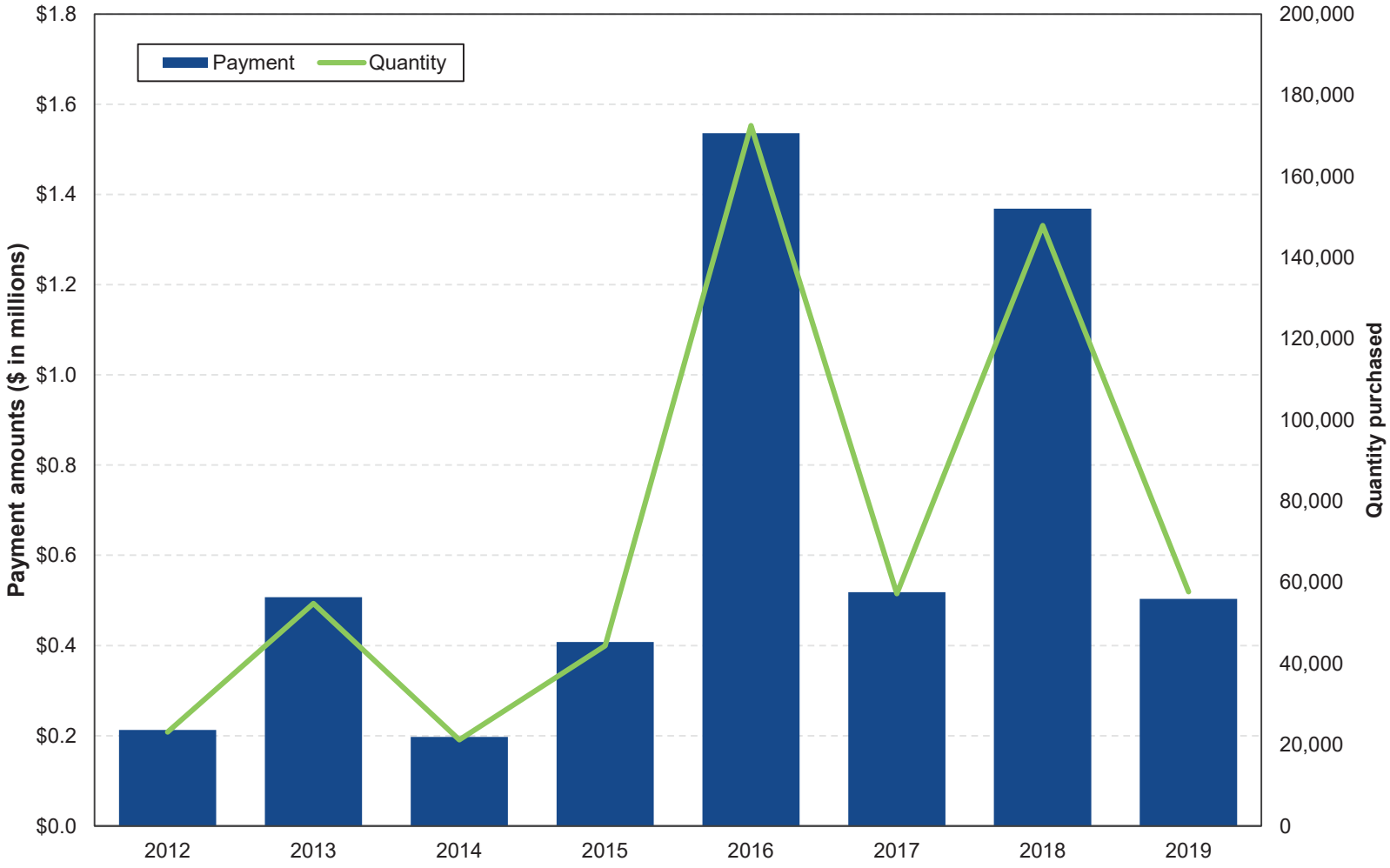
United States of America

Prices Effective 1st January, 2012

PRODUCT DESCRIPTION		MLG EXW SUPPLY PRICE TO RPLP
		2012
SALES TERMS: EXW (Canada)		
Theophylline Tablets 400mg 100s	USD	8.50
Theophylline Tablets 600mg 100s	USD	12.50

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 247-248.

Rhodes Pharma Paid Mundipharma Laboratories GmbH Approximately $5.3MM for 579,000 Theophylline Products



Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 249.

Other: Manufacturing Services

PPLP Payments to P.F. Laboratories (1E)

PPLP Paid $18.7MM to P.F. Laboratories From 2008 to 2014

P.F. Laboratories ("PF Labs") served as a manufacturing site for PPLP. PF Labs was a backup production facility for MS Contin and other products.

PPLP and PF Labs entered into a contract manufacturing agreement on January 1, 1996. This agreement specified a 10% markup on costs. From 2008 to 2014, PPLP paid $18.7MM to PF Labs under the contract manufacturing agreement for MS Contin.

The 10% markup is an arm's-length markup on cost of service based on an analysis of comparable companies providing similar services.

PF Labs closed in 2014, and the agreement was terminated.

PPLP and PF Labs Contract Manufacturing Agreement Specifies Cost Plus 10%

CONTRACT MANUFACTURING AGREEMENT

Contract Manufacturing Agreement dated as of January 1, 1996 by and between THE P.F. LABORATORIES, INC., a New Jersey corporation ("Manufacturer"), and PURDUE PHARMA L.P., a Delaware limited partnership ("Purchaser"),

W I T N E S S E T H :

WHEREAS, Purchaser has the rights to sell certain pharmaceutical products and prepa on Exhibit A hereto, as the same may be amende time (collectively, the "Preparations"); and

5. Price.

(a) During the term of this Agreement, Manufacturer's base price per unit of each Preparation (the "Base Price") to Purchaser shall consist of (i) Manufacturer's estimated direct costs for raw materials and packaging materials calculated on a standard cost system basis ("Material Costs"), plus (ii) all other estimated direct and indirect costs, including shipping and overhead costs, estimated to be incurred by Manufacturer with respect to the Manufacture of each Preparation ("Other Costs"), plus (iii) an amount equal to 10% of the sum of clauses (i) and (ii) of this Section 5(a).

Source: PPLP PF Laboratories Contract Manufacturing Agreement (Jan. 1, 1996), 1 and 5.

PF Labs Background

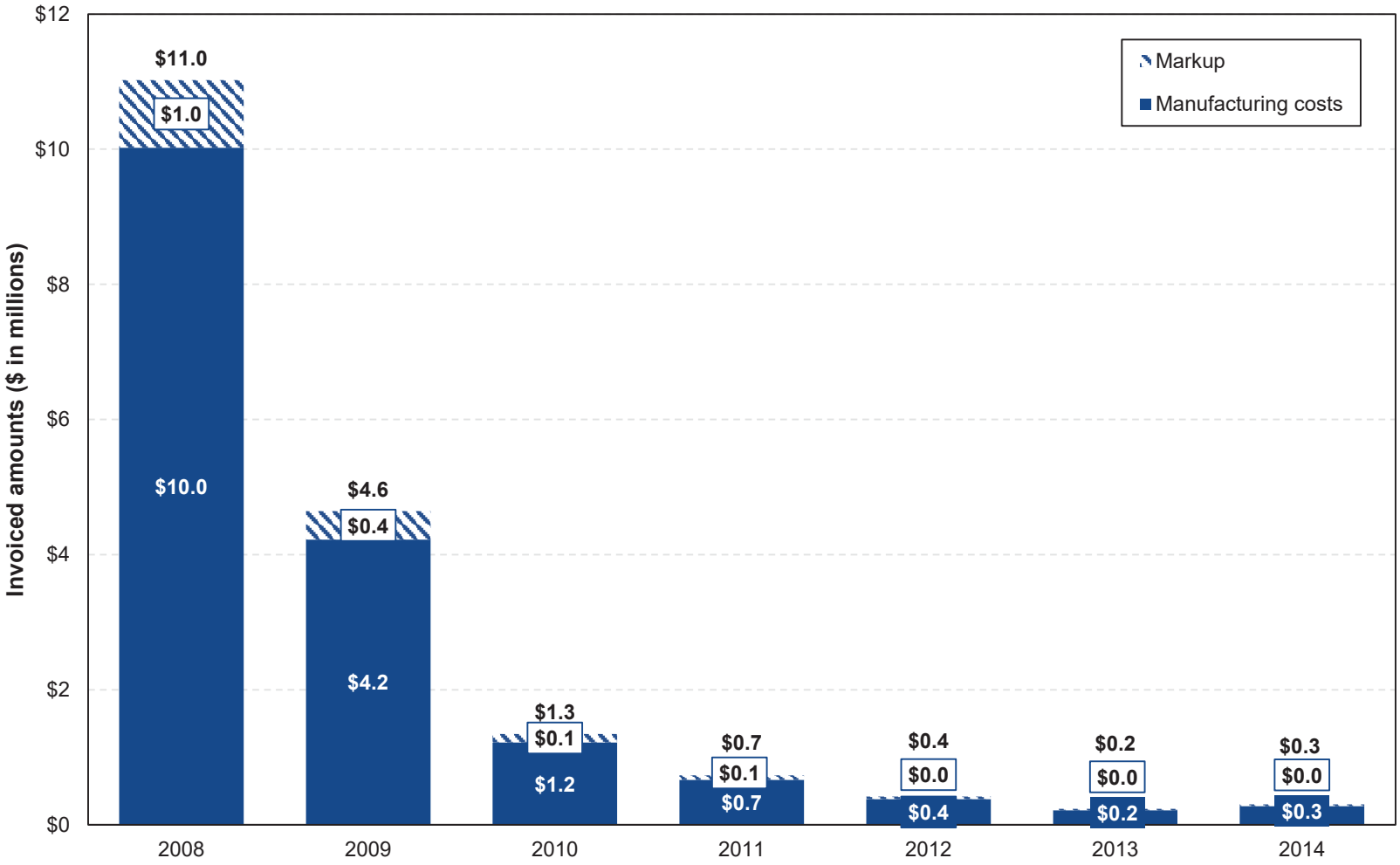
PF Labs was a manufacturing site for PPLP from 2008–2014. It manufactured OxyContin in both old and new abuse deterrent formulations, Oxy IR products, and Uniphyl (Theophylline) products for PPLP.

PPLP had two manufacturing sites between 2008 and 2014: PF Labs in Totowa, NJ and Purdue Pharmaceuticals L.P. in Wilson, NC. Both sites had the capability to manufacture MS Contin. During this time PF Labs served as the backup facility for Purdue Pharmaceuticals (Wilson) and produced only minimal quantities of any products from 2010 until its closing in 2014

PF Labs last manufactured MS Contin products for PPLP in 2009. Purdue Pharmaceuticals (Wilson) has continued to manufacture MS Contin products since then.

Source: Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 101-109. Per discussions with Purdue employees.

PPLP Paid $18.7MM Including $1.7MM in Markups to PF Labs From 2008 to 2014



Source: Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 101-109.

CMOs: Markup Analysis Using Comparables

10% markup is an arm's-length markup on cost of service based on our comparables analysis

This analysis reviewed more than 1,300 potential comparables and identified eight that are closest to the relevant CMO transactions

— Interquartile ranges are summarized below

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Lower Quartile	3.2%	2.8%	3.0%	4.0%	6.8%	7.6%	7.4%	6.3%	6.0%	6.6%	7.0%
Median	3.9%	4.8%	6.6%	7.9%	10.2%	10.0%	9.8%	9.7%	8.9%	8.4%	8.6%
Upper Quartile	13.9%	15.9%	17.7%	18.6%	17.8%	17.5%	17.1%	17.5%	13.3%	13.6%	13.0%

Other: Manufacturing Services

PPLP Payments to Mundipharma International Limited (U.S.) (1A)

PPLP Paid $7.9MM for Manufacturing Services Support from 2016 to September 15, 2019

PPLP entered into a manufacturing services support agreement with Mundipharma International Limited ("MIL USA.") on January 1, 2014. Pursuant to this agreement, PPLP paid costs plus markups for MIL USA to streamline the supply chain of Sackler-owned entities engaged in the sales of pharmaceutical products, and to evaluate opportunities to reduce supply chain costs by insourcing or outsourcing products across the available IAC global supply chain. These payments totaled $5.5MM between the first payment in January 2016 and September 15, 2019.

Mundipharma International Technical Operations Limited ("MITOL") was created in 2018 to take over MIL USA's role. PPLP entered into a similar service agreement with MITOL on August 3, 2018 and has since paid $2.4MM to MITOL for manufacturing support services.

In total, PPLP paid $7.9MM to MIL USA and MITOL from January 2016 to September 15, 2019. The average markup that PPLP paid to MIL USA is 6.0%, and the average markup that PPLP paid to MITOL is 5.0%. The overall average markup that PPLP paid is 5.7%.

PPLP was not disadvantaged because the average markup is lower than the interquartile of the arm's-length markups on the costs of service charged by third-party CMOs. This is consistent with the limited manufacturing support roles of both MIL USA and MITOL.

PPLP's Agreement With MIL USA

MIL USA/MITOL was tasked to streamline the supply chain of Sackler-owned entities engaged in the sales of pharmaceutical products, and to evaluate opportunities to reduce supply chain costs by insourcing or outsourcing products across the available IAC global supply chain. Their roles include sourcing decisions for both PPLP U.S. products and ex-U.S. products, and personnel were hired to coordinate, manage, expand, or rationalize the global supply chain.

PPLP paid the associated costs identified in the Manufacturing Services Agreement dated January 1, 2014 to MIL USA/MITOL, as follows:

- PPLP paid travel, rent, service fees, and other miscellaneous expenses at cost; salary, bonus, and benefit expenses costs with a 7.5% markup; and accounting services, payroll, and tax preparation costs with a 10% markup

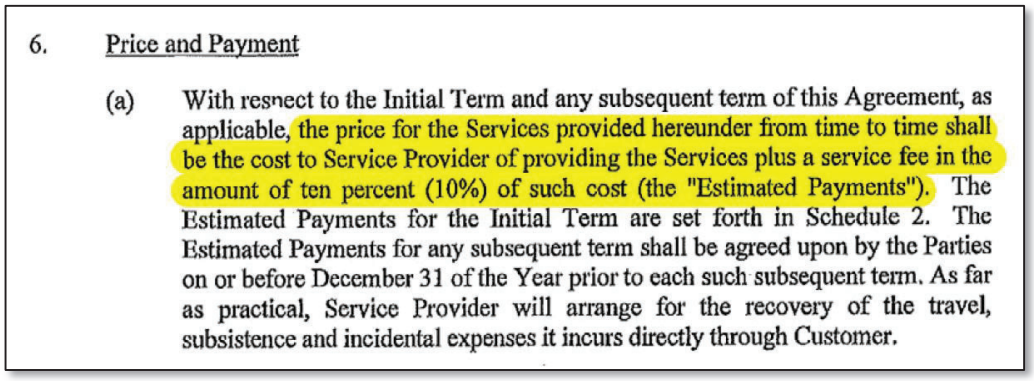
In 2018, MITOL was created to replace the previous MIL USA entity.

- MITOL agreements are similar to prior MIL USA agreements
- Generally reflect the same arrangements, markups, and terms

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 22, 63–71. Mundipharma International Limited USA and Purdue Pharma L.P. Services Agreement, January 1, 2014, page 4. Discussion with PPLP employees in the supply chain function. June 1, 2020.

PPLP Payments to MIL USA

MIL USA did not begin providing these services until 2015, and the first payment for these services occurred in 2016. PPLP agreed to pay MIL USA's costs plus a 10% markup. Since January 2014, PPLP has paid $5.5MM in costs and markups to MIL USA for manufacturing services support. However, the agreement terms regarding advanced quarterly payments was not always followed.



6. Price and Payment

(a) With respect to the Initial Term and any subsequent term of this Agreement, as applicable, the price for the Services provided hereunder from time to time shall be the cost to Service Provider of providing the Services plus a service fee in the amount of ten percent (10%) of such cost (the "Estimated Payments"). The Estimated Payments for the Initial Term are set forth in Schedule 2. The Estimated Payments for any subsequent term shall be agreed upon by the Parties on or before December 31 of the Year prior to each such subsequent term. As far as practical, Service Provider will arrange for the recovery of the travel, subsistence and incidental expenses it incurs directly through Customer.

The 10% markup was applied differently to specific expenses:

- Cost plus a 7.5% markup: all salary, bonus, and benefit expenses
- Cost plus a 10% markup: accounting services, payroll, and tax preparation costs
- Billed at cost: travel, rent, service fees, and other miscellaneous expenses

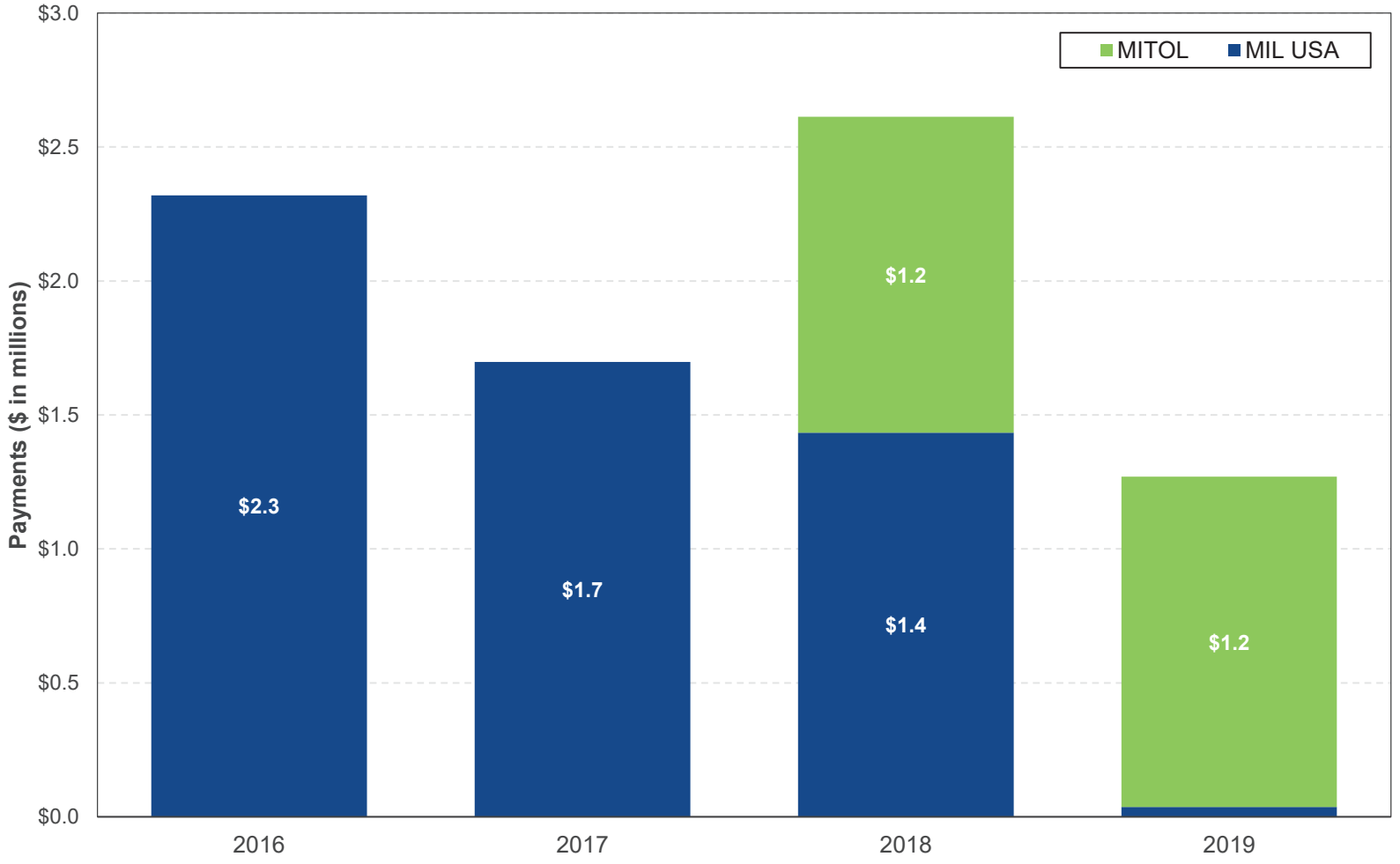
Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 22, 63–71. Mundipharma International Limited USA. and Purdue Pharma L.P. Services Agreement, January 1, 2014. Discussion with Purdue. June 1, 2020.

PPLP Payments to MITOL

On August 3, 2018, PPLP also entered into a service agreement with MITOL. According to MITOL's accounting records in SAP, PPLP has paid $2.4MM to MITOL.

Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 22, 63–71.

PPLP Payments to MIL USA and MITOL Total Approximately $7.9MM



Source: AlixPartners, Intercompany and Non-Cash Transfers Analysis (May 28, 2020), 22, 65. Total MIL USA. payments: $5.5MM; Total MITOL payments: $2.MM. Discussion between Bates White and Jonathan Carlisle, Asc. Director Finance Purdue Pharma L.P. June 1, 2020.

Summary by Cost Category with Varying Markup: 2015–2019

The average markup that PPLP paid to MIL USA is 6.0%, and the average markup that PPLP paid to MITOL is 5.0%. The overall average markup is 5.7%.

Entity	Item	Amount
MIL USA	Costs Plus a 10% Markup (accounting and tax related expenses)	$14,686
	Costs Plus a 7.5% Markup (salary and benefits related expenses)	$4,398,725
	Costs With no Markup (travel, rent, and misc. expenses)	$1,074,395
	MIL Total	**$5,487,805**
MITOL	Costs Plus a 10% Markup (accounting and tax related expenses)	$15,910
	Costs Plus a 7.5% Markup (salary and benefits related expenses)	$1,622,435
	Costs With no Markup (travel, rent, and misc. expenses)	$772,773
	MITOL Total	**$2,411,118**
	Total	**$7,898,923**

Source: Purdue data. Note: Company 543 refers to MILD; Company 544 refers to MITOL. Items charged out at cost plus a 7.5% markup include all salary, bonus, and benefit expenses. Items charged out at cost plus a 10% markup include accounting services, payroll, and tax preparation costs. Items charged out at cost include travel, rent, service fees, and other miscellaneous expenses.

Markup Analysis Using Comparable Transactions

PPLP was not disadvantaged because the average markup is lower than the interquartile of the arm's-length markups on the costs of service charged by third-party CMOs. This is consistent with the limited manufacturing support roles of both MIL USA and MITOL.

This analysis reviewed more than 1,300 potential comparables and identified eight that come closest to the relevant CMO transactions

- Interquartile ranges are summarized below

	2015	2016	2017	2018
Lower Quartile	6.3%	6.0%	6.6%	7.0%
Median	9.7%	8.9%	8.4%	8.6%
Upper Quartile	17.5%	13.3%	13.6%	13.0%

Other: Manufacturing Services

PPLP and PPTI Payments to Purdue Pharma Canada for Manufacturing and Packaging Services (1M)

PPLP Paid $41MM to Purdue Pharma Canada for Supply Manufacturing Costs

On September 1, 2009, PPLP entered into a supply agreement for manufacturing and packaging of pharmaceutical products with Purdue Pharma Canada. It agreed to pay listed prices subject to annual adjustments. PPLP does not have information about whether a markup was charged for these services from Purdue Pharma Canada. This agreement was amended four times on November 18, 2013; December 31, 2014; December 31, 2016; and September 10, 2018.

Under this agreement, PPLP paid Purdue Pharma Canada $41.1MM from September 1, 2009 to September 15, 2019. Avrio Health L.P., a subsidiary of PPLP, paid Purdue $9.9MM, and Purdue Pharma Technologies Inc. (“PPTI”) paid the remaining $31.2MM.

Any potential net differential to PPLP, if markups paid were above an arm’s-length amount, likely would be minimal, as markups charged are generally in the 10% range (i.e., less than $5MM), consistent with market benchmarks.